



**Blalock 1H, 10H-11H, 50H, 70H, 90H
Case Nos. 22597-22598
NMOCD Exhibits**

Hearing Date: June 2, 2022

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

**APPLICATIONS OF SPUR ENERGY
PARTNERS, LLC FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NOS. 22597 & 22598

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22597 (Shallow Unit)	APPLICANT'S RESPONSE
Date	June 2, 2022
Applicant	Spur Energy Partners LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID 338479
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF SPUR ENERGY PARTNERS, LLC FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
	<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Spur Energy Partners, LLC Hearing Date: June 2, 2022 Case Nos. 22597-22598</p>
Entries of Appearance/Intervenors:	Contango Oil & Gas, Apache Corp., Jalapeno Corp.
Well Family	Blalock 32 State
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso formation; from the top of the formation to 4,100 feet.
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso formation; from the top of the formation to 4,100 feet.
Pool Name and Pool Code:	Artesia; Glorieta-Yeso Pool (Pool Code 96830)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	320 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	40 acres
Orientation:	West to East
Description: TRS/County	N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes; at 4,100 feet.
Proximity Tracts: If yes, description	Yes; The completed interval of the Blalock 32 State #1H well will remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
Proximity Defining Well: if yes, description	Blalock 32 State #1H well
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s)	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Blalock 32 State #1H well SHL: 691' FNL, 976' FEL (Unit A), Sec. 31, T17S, R28E. BHL: 1200' FNL, 50' FEL (Unit P), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Well #2	Blalock 32 State #10H well SHL: 652' FNL, 969' FEL (Unit A), Sec. 31, T17S, R28E. BHL: 450' FNL, 50' FEL (Unit A), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Well #3	Blalock 32 State #11H well SHL: 1844' FNL, 1089' FEL (Unit H), Sec. 31, T17S, R28E. BHL: 1950' FNL, 50' FEL (Unit H), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Information	


Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C-3
Ownership Depth Severance (including percentage above & below)	Exhibit C-3
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-5
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	Exhibit D, D-4, D-5
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	2-Jun-22

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22598 (Deep Unit)	APPLICANT'S RESPONSE
Date	June 2, 2022
Applicant	Spur Energy Partners LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID 338479
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF SPUR ENERGY PARTNERS, LLC FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Contango Oil & Gas, Apache Corp., Jalapeno Corp.
Well Family	Blalock 32 State
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso formation; from the depth of 4,130 feet to the base of the Yeso formation.
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso formation; from the depth of 4,130 feet to the base of the Yeso formation.
Pool Name and Pool Code:	Artesia; Glorieta-Yeso Pool (Pool Code 96830)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	320 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	40 acres
Orientation:	West to East
Description: TRS/County	N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes; at 4,130 feet.
Proximity Tracts: If yes, description	Yes; The completed interval of the Blalock 32 State #90H well will remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
Proximity Defining Well: if yes, description	Blalock 32 State #90H well
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s)	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Blalock 32 State #50H well SHL: 1864' FNL, 1085' FEL (Unit H), Sec. 31, T17S, R28E. BHL: 2200' FNL, 50' FEL (Unit H), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Well #2	Blalock 32 State #70H well SHL: 671' FNL, 973' FEL (Unit A), Sec. 31, T17S, R28E. BHL: 750' FNL, 50' FEL (Unit A), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Well #3	Blalock 32 State #90H well SHL: 1825' FNL, 1093' FEL (Unit H), Sec. 31, T17S, R28E. BHL: 1500' FNL, 50' FEL (Unit H), Sec. 32, T17S, R28E. Completed Target: Yeso Formation Orientation: west to east Completion Status: Expected to be standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
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Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	2-Jun-22

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

**APPLICATION OF SPUR ENERGY
PARTNERS, LLC FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 22597

APPLICATION

Spur Energy Partners, LLC (“Spur” or “Applicant”) (OGRID No. 328947) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation from the top of the Yeso formation to a depth of 4,100 feet comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit. In support of its application, Spur states:

1. An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:
 - The **Blalock #1H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32;

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598**

- the **Blalock #10H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32; and the
- **Blalock #11H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

3. The completed interval of the **Blalock #1H well** will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

4. A depth severance exists in the Yeso formation within the proposed horizontal spacing unit. Accordingly, Spur seeks to pool only a portion of the Yeso formation, from the top of the Yeso formation to a depth of 4,100 feet, as defined in the Schlumberger Platform Express High Resolution Azimuthal Laterolog of the Dancer "32" State Com No.1 Well (API No. 30-015-28863). Spur will provide notice of this hearing to the vertical offset parties within the pool who are not subject to this pooling application.

5. This 320-acre horizontal well spacing unit will overlap three existing 40-acre vertical well spacing units in the Yeso formation, as follows:

- A 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #012 (API# 30-015-35050), Enron State #018 (API# 30-015-40339), Enron State #021 (API# 30-015-42156), and the Enron State #002 (API# 30-015-31920).

- A 40-acre vertical well spacing unit comprised of the NE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #019 (API# 30-015-41833), Enron State #014 (API# 30-015-36979), Enron State #001 (API# 30-015-31530), and the Enron State #017 (API# 30-015-39996).
- A 40-acre vertical well spacing unit comprised of the SE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the AA State #001 (API# 30-015-01657).

6. Applicant 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.

7. Approval of this overlapping horizontal well spacing unit and the pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

8. In order to permit Applicant 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.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on March 3, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests in the horizontal spacing unit in the defined portion of the Yeso formation and approving the initial wells thereon;

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

Respectfully submitted,

HOLLAND & HART LLP

By: _____



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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 FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22598

APPLICATION

Spur Energy Partners, LLC (“Spur” or “Applicant”) (OGRID No. 328947) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation, from the depth of 4,130 feet to the base of the Yeso formation comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit. In support of its application, Spur states:

1. An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:
 - The **Blalock #50H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32;

- the **Blalock #70H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32; and the
- **Blalock #90H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

3. The completed interval of the **Blalock #90H well** will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

4. A depth severance exists in the Yeso formation within the proposed horizontal spacing unit. Accordingly, Spur seeks to pool only a portion of the Yeso formation, from a depth of 4,130 feet to the base of the Yeso formation, at a stratigraphic equivalent of 5,564 feet measured depth, as defined in the Schlumberger Platform Express High Resolution Azimuthal Laterolog of the Dancer "32" State Com No.1 Well (API No. 30-015-28863). Spur will provide notice of this hearing to the vertical offset parties within the pool who are not subject to this pooling application.

5. This 320-acre horizontal well spacing unit will overlap three existing 40-acre vertical well spacing units in the Yeso formation, as follows:

- A 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #012 (API# 30-015-35050), Enron State #018 (API# 30-015-40339), Enron State #021 (API# 30-015-42156), and the Enron State #002 (API# 30-015-31920).

- A 40-acre vertical well spacing unit comprised of the NE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #019 (API# 30-015-41833), Enron State #014 (API# 30-015-36979), Enron State #001 (API# 30-015-31530), and the Enron State #017 (API# 30-015-39996).
- A 40-acre vertical well spacing unit comprised of the SE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the AA State #001 (API# 30-015-01657).

6. Applicant 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.

7. Approval of this overlapping horizontal well spacing unit and the pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

8. In order to permit Applicant 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.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on March 3, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests in the horizontal spacing unit in the defined portion of the Yeso formation and approving the initial wells thereon;

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC

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

**APPLICATIONS OF SPUR ENERGY
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OVERLAPPING HORIZONTAL WELL
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POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NOS. 22597 & 22598

AFFIDAVIT OF RETT DALTON

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

1. My name is Rett Dalton. I work for Spur Energy Partners, LLC (“Spur”) as a Landman. I am familiar with the application filed by Spur in this case and the lands involved.

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 landman have been accepted by the Division and made a matter of record.

3. In **Case No. 22597**, Spur seeks an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation from the top of the Yeso formation to a depth of 4,100 feet comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit.

4. Applicant proposes to dedicate the proposed spacing unit in this case to the following initial proposed wells:

- The **Blalock 32 State #1H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32;

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

- the **Blalock 32 State #10H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32; and the
- **Blalock 32 State #11H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

5. The completed interval of the **Blalock 32 State #1H well** will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

6. A depth severance exists in the Yeso formation within the proposed horizontal spacing unit in this case. Accordingly, Spur seeks to pool only a portion of the Yeso formation, from the top of the Yeso formation to a depth of 4,100 feet, as defined in the Schlumberger Platform Express High Resolution Azimuthal Laterolog of the Dancer “32” State Com No.1 Well (API No. 30-015-28863).

7. In **Case No. 22598**, Spur seeks an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation, from the depth of 4,130 feet to the base of the Yeso formation comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit.

8. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

- The **Blalock 32 State #50H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32;
- the **Blalock 32 State #70H well**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32; and the
- **Blalock 32 State #90H well**, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

9. The completed interval of the **Blalock 32 State #90H well** will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit.

10. A depth severance exists in the Yeso formation within the proposed horizontal spacing unit in this case. Accordingly, Spur seeks to pool only a portion of the Yeso formation, from a depth of 4,130 feet to the base of the Yeso formation, at a stratigraphic equivalent of 5,564 feet measured depth, as defined in the Schlumberger Platform Express High Resolution Azimuthal Laterolog of the Dancer "32" State Com No.1 Well (API No. 30-015-28863).

11. In both cases, the proposed 320-acre horizontal well spacing units will overlap three existing 40-acre vertical well spacing units in the Yeso formation, as follows:

- a. A 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #012 (API# 30-015-35050), Enron State #018 (API# 30-015-

40339), Enron State #021 (API# 30-015-42156), and the Enron State #002 (API# 30-015-31920).

- b. A 40-acre vertical well spacing unit comprised of the NE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #019 (API# 30-015-41833), Enron State #014 (API# 30-015-36979), Enron State #001 (API# 30-015-31530), and the Enron State #017 (API# 30-015-39996).
- c. A 40-acre vertical well spacing unit comprised of the SE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the AA State #001 (API# 30-015-01657).

12. Contango Resources, Inc. operates the two spacing units dedicated to the Enron State wells.

13. Apache Corporation operates the spacing unit dedicated to the AA State #001 well. Spur owns a 40% working interest in that well.

14. Spur provided notice of the proposed overlapping spacing units to all working interest owners by certified mail, return-receipt requested, pursuant to Division regulations. **Spur Exhibit C-1** is a copy of the notice letters that Spur sent to ZPZ Delaware I, LLC and Contango Resources, Inc. as operators of the existing spacing units. ZPZ Delaware I, LLC provided notice to Spur that it objects to the overlapping spacing unit.

15. **Spur Exhibit C-2** contains the draft Form C-102s for the proposed initial wells in each case. The forms reflect that the wells will be located in the Artesia; Glorieta-Yeso Pool [Pool Code 96830] and that the completed interval for each well complies with the statewide setback requirements for oil wells.

16. **Spur Exhibit C-3** contains a plat outlining the proposed units being pooled in each case and identifies the tracts of land comprising the proposed spacing units. The second and third pages of the exhibit identifies the acreage within each tract for the proposed spacing units and the proportion each tract contributes to that proposed “drilling spacing unit” or DSU in each case. The uncommitted interests that Spur seeks to pool in each case are highlighted in yellow. The fourth and fifth pages list the overriding royalty and non-participating royalty interests that Spur seeks to pool in each case.

17. **Exhibit C-4** is a sample of the well proposal letter and AFEs sent to all uncommitted owners with a working interest in each case. The costs reflected in the AFEs are consistent with what Spur and other operators have incurred for drilling similar horizontal wells in the area. Spur also included lease offers to unleased mineral interest owners.

18. Spur has been unable to locate contact information for all of the parties it seeks to pool but has undertaken good faith efforts to reach an agreement with uncommitted interest owners it has been able to identify and locate. A chronology of Spur’s contacts with the uncommitted owners it is seeking to pool and efforts to identify and locate all owners is attached as **Spur Exhibit C-5**. Spur conducted a good-faith, diligent search to find the correct addresses of persons entitled to notice, including county records, phone directories, and computer database searches.

19. Several parties have elected to participate in the proposed wells but have not yet signed a joint operating agreement. If Spur reaches an agreement with parties it is seeking to pool before the Division enters an order, I will let the Division know that Spur is no longer seeking to pool those parties.

20. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Spur Exhibit C-3. In compiling these addresses, Spur

conducted a good-faith, diligent search to find the correct addresses of persons entitled to notice, including county records, phone directories, and computer database searches.

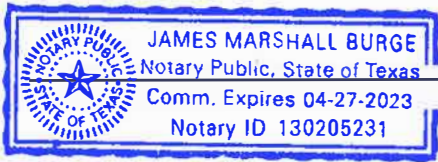
21. **Spur Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.


RETT DALTON

STATE OF TEXAS)
)
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 27th day of May, 2022 by Rett Dalton.




NOTARY PUBLIC

My Commission Expires:

4-27-2023



December 16, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ZPZ Delaware I LLC
Attn: Leslie Mullins
2000 Post Oak Blvd, Ste 100
Houston, TX 77024

Re: Notice of Overlapping Spacing
[96830] Artesia; Glorieta-Yeso (O)
N/2NW/4 and SE/NW/4 of Section 32-17S-28E

Dear Leslie,

This letter is to advise you that SEP Permian LLC has proposed to drill the following well(s) in the Yeso formation:

1. **BLALOCK 10H**
SHL: 620' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 450' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~3700'
Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)
2. **BLALOCK 70H**
SHL: 640' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 750' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~4400'
Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)
3. **BLALOCK 1H**
SHL: 660' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 1200' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~3575'
Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)
4. **BLALOCK 90H**
SHL: 1800' FNL; 875' FEL (SEC 31 17S 28E)
BHL: 1500' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~4850'
Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)
5. **BLALOCK 11H**

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

SHL: 1820' FNL; 875' FEL (SEC 31 17S 28E)
 BHL: 1950' FNL; 50' FEL (SEC 32 17S 28E)
 AVG TVD ~3800'
 Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)

6. BLALOCK 50H

SHL: 1840' FNL; 875' FEL (SEC 31 17S 28E)
 BHL: 2200' FNL; 50' FEL (SEC 32 17S 28E)
 AVG TVD ~4210'
 Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)

These wells will be dedicated to a 320-acre spacing unit comprised of the following acreage:

- N/2 of Section 32-17S-28E

This proposed 320-acre spacing unit will overlap the following spacing unit(s) and existing wells:

1. Enron State #012 (API# 30-015-35050)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
 Producing Interval: 3,429' – 3,520' [96830] Artesia; Glorieta-Yeso (O)
2. Enron State #018 (API# 30-015-40339)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
 Producing Interval:
 3,460' – 3,752' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)
 3,800' – 4,140' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)
3. Enron State #021 (API# 30-015-42156)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
 Producing Interval:
 3,417' – 3,720' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)
 3,810' – 4,140' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)
4. Enron State #002 (API# 30-015-31920)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
 Producing Interval: 3,350' – 3,765' [96830] Artesia; Glorieta-Yeso (O)
5. Enron State #019 (API# 30-015-41833)
 Proration Unit: 40 acres out of the NE/4NW/4, Section 32-17S-28E
 Producing Interval:
 3,495' – 3,762' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)
 3,810' – 4,099' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)
6. Enron State #014 (API# 30-015-36979)
 Proration Unit – 40 acres out of the NE/4NW/4, Section 32-17S-28E
 Producing Interval:
 3,459' – 3,658' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)
 3,782' – 4,090' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)
7. Enron State #001 (API# 30-015-31530)
 Proration Unit – 40 acres out of the NE/4NW/4, Section 32-17S-28E

Producing Interval – 3,226' – 3,864' [96830] Artesia; Glorieta-Yeso (O)

8. Enron State #017 (API# 30-015-39996)

Proration Unit – 40 acres out of the NE/4NW/4, Section 32-17S-28E

Producing Interval:

3,430' – 3,573' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)

3,660' – 3,838' – Middle Yeso [96830] Artesia; Glorieta-Yeso (O)

3,892' – 4,097' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)

9. AA State #001 (API# 30-015-01657)

Proration Unit – 40 acres out of the SE/4NW/4, Section 32-17S-28E

Producing Interval:

3,523' – 3,715' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)

3,880' – 4,173' – Middle Yeso [96830] Artesia; Glorieta-Yeso (O)

4,288' – 4,525' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object this overlapping spacing unit by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice.

If you have any questions about this matter, please contact the undersigned.

Sincerely,



Rett Dalton
Sr. Landman
832.930.8529 (Off)
rdalton@spurenergy.com



December 16, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Contango Resources, Inc.
Attn: Jason Thomas
717 Texas Ave, Ste 2900
Houston, TX 77002

Re: Notice of Overlapping Spacing
[96830] Artesia; Glorieta-Yeso (O)
N/2NW/4 and SE/NW/4 of Section 32-17S-28E

Dear Jason,

This letter is to advise you that SEP Permian LLC has proposed to drill the following well(s) in the Yeso formation:

1. **BLALOCK 10H**
SHL: 620' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 450' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~3700'
Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)

2. **BLALOCK 70H**
SHL: 640' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 750' FNL; 50' FEL (SEC 32 17S 28E)
AVG TVD ~4400'
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SHL: 660' FNL; 950' FEL (SEC 31 17S 28E)
BHL: 1200' FNL; 50' FEL (SEC 32 17S 28E)
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4. **BLALOCK 90H**
SHL: 1800' FNL; 875' FEL (SEC 31 17S 28E)
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AVG TVD ~4850'
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5. **BLALOCK 11H**

SHL: 1820' FNL; 875' FEL (SEC 31 17S 28E)
 BHL: 1950' FNL; 50' FEL (SEC 32 17S 28E)
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 BHL: 2200' FNL; 50' FEL (SEC 32 17S 28E)
 AVG TVD ~4210'
 Targeted Interval - [96830] Artesia; Glorieta-Yeso (O)

These wells will be dedicated to a 320-acre spacing unit comprised of the following acreage:

- N/2 of Section 32-17S-28E

This proposed 320-acre spacing unit will overlap the following spacing unit(s) and existing wells:

1. Enron State #012 (API# 30-015-35050)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
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 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
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 3,800' – 4,140' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)
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 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
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 3,417' – 3,720' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)
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4. Enron State #002 (API# 30-015-31920)
 Proration Unit: 40 acres out of the NW/4NW/4, Section 32-17S-28E
 Producing Interval: 3,350' – 3,765' [96830] Artesia; Glorieta-Yeso (O)
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7. Enron State #001 (API# 30-015-31530)
 Proration Unit – 40 acres out of the NE/4NW/4, Section 32-17S-28E

Producing Interval – 3,226' – 3,864' [96830] Artesia; Glorieta-Yeso (O)

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Proration Unit – 40 acres out of the NE/4NW/4, Section 32-17S-28E

Producing Interval:

3,430' – 3,573' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)

3,660' – 3,838' – Middle Yeso [96830] Artesia; Glorieta-Yeso (O)

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Producing Interval:

3,523' – 3,715' – Upper Yeso [96830] Artesia; Glorieta-Yeso (O)

3,880' – 4,173' – Middle Yeso [96830] Artesia; Glorieta-Yeso (O)

4,288' – 4,525' – Lower Yeso [96830] Artesia; Glorieta-Yeso (O)

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object this overlapping spacing unit by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice.

If you have any questions about this matter, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Rett Dalton", with a stylized flourish at the end.

Rett Dalton
Sr. Landman
832.930.8529 (Off)
rdalton@spurenergy.com

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 Road, Aztec, NM 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3460 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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-		2 Pool Code 96830		3 Pool Name ARTESIA; GLORIETA-YESO (O)					
4 Property Code		5 Property Name BLALOCK 32 STATE					6 Well Number 1H		
7 OGRID NO. 328947		8 Operator Name SPUR ENERGY PARTNERS LLC.					9 Elevation 3683'		
10 Surface Location									
UL or lot no. A	Section 31	Township 17S	Range 28E	Lot Idn	Feet from the 691	North/South line NORTH	Feet From the 976	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. A	Section 32	Township 17S	Range 28E	Lot Idn	Feet from the 1200	North/South line NORTH	Feet from the 50	East/West line EAST	County EDDY
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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>16</p> <p>GEODETTIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION (SL) N: 653319.9 - E: 579366.7 LAT: 32.7959463° N LONG: 104.2095728° W</p> <p>FIRST TAKE POINT (FTP) 1200' FNL & 100' FWL - SEC 32 N: 652819.4 - E: 580450.5 LAT: 32.7945671° N LONG: 104.2060475° W</p> <p>LAST TAKE POINT (LTP) 1200' FNL & 100' FEL - SEC 32 N: 652902.8 - E: 585461.6 LAT: 32.7947786° N LONG: 104.1897396° W</p> <p>BOTTOM HOLE (BH) N: 652903.6 - E: 585511.6 LAT: 32.7947806° N LONG: 104.1895770° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N: 648700.0 - E: 575089.7</p> <p>B: FOUND BRASS CAP "1941" N: 651341.8 - E: 575074.4</p> <p>C: FOUND BRASS CAP "1941" N: 653983.4 - E: 575058.5</p> <p>D: FOUND BRASS CAP "1941" N: 653999.6 - E: 577752.7</p> <p>E: FOUND BRASS CAP "1941" N: 654017.3 - E: 580331.9</p> <p>F: FOUND BRASS CAP "1941" N: 654060.8 - E: 582941.9</p> <p>G: FOUND BRASS CAP "1941" N: 654104.0 - E: 585547.5</p> <p>H: FOUND BRASS CAP "1941" N: 651507.5 - E: 585578.0</p> <p>I: FOUND BRASS CAP "1941" N: 648910.4 - E: 585613.6</p> <p>J: FOUND BRASS CAP "1941" N: 648857.6 - E: 583013.8</p> <p>K: CALCULATED CORNER N: 648805.9 - E: 580413.8</p> <p>L: FOUND BRASS CAP "1941" N: 651411.9 - E: 580372.5</p>	<p>17 OPERATOR CERTIFICATION 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> 05/26/2022 Signature Date</p> <p>SARAH CHAPMAN Printed Name</p> <p>SCHAPMAN@SPURENERGY.COM E-mail Address</p>
		<p>18 SURVEYOR CERTIFICATION 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>01/14/2022 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680 Certificate Number</p> <p>PROF. ROBERT M. HOWETT NEW MEXICO 19680 PROFESSIONAL SURVEYOR</p>
		<p>Job No: LS22010042</p>

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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State of New Mexico
Energy, Minerals & Natural Resources Department
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1220 South St. Francis Dr.
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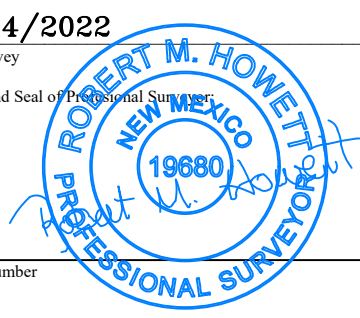
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

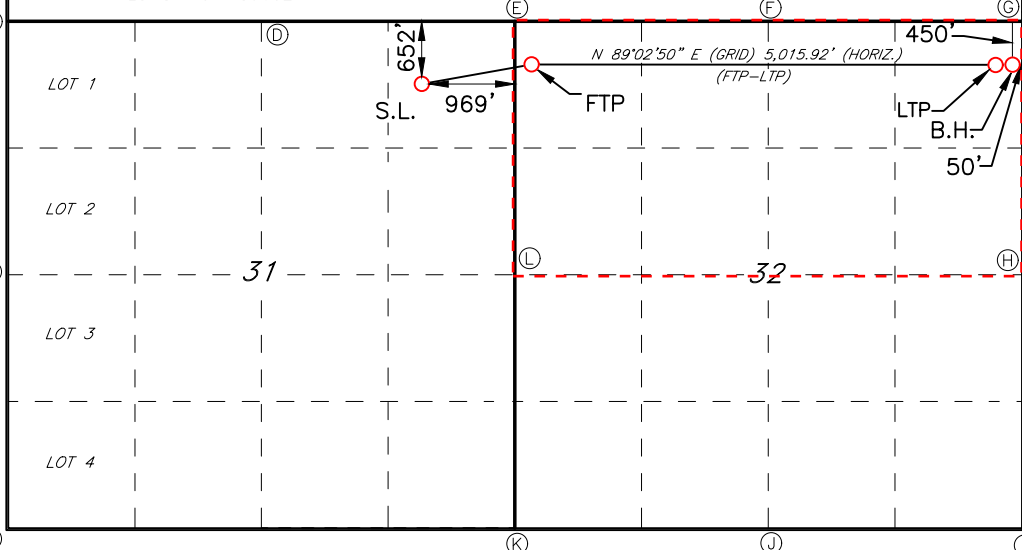
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-		2 Pool Code 96830		3 Pool Name ARTESIA; GLORIETA-YESO (O)					
4 Property Code		5 Property Name BLALOCK 32 STATE					6 Well Number 10H		
7 OGRID NO. 328947		8 Operator Name SPUR ENERGY PARTNERS LLC.					9 Elevation 3683'		
10 Surface Location									
UL or lot no. A	Section 31	Township 17S	Range 28E	Lot Idn	Feet from the 652	North/South line NORTH	Feet From the 969	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. A	Section 32	Township 17S	Range 28E	Lot Idn	Feet from the 450	North/South line NORTH	Feet from the 50	East/West line EAST	County EDDY
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.						

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>16</p> <p>GEODETTIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION (SL) N: 653359.4 - E: 579373.1 LAT: 32.7960547° N LONG: 104.2095519° W</p> <p>FIRST TAKE POINT (FTP) 450' FNL & 100' FWL - SEC 32 N: 653569.1 - E: 580438.9 LAT: 32.7966278° N LONG: 104.2060826° W</p> <p>LAST TAKE POINT (LTP) 450' FNL & 100' FEL - SEC 32 N: 653652.5 - E: 585452.8 LAT: 32.7968394° N LONG: 104.1897650° W</p> <p>BOTTOM HOLE (BH) N: 653653.3 - E: 585502.8 LAT: 32.7968415° N LONG: 104.1896024° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N: 648700.0 - E: 575089.7</p> <p>B: FOUND BRASS CAP "1941" N: 651341.8 - E: 575074.4</p> <p>C: FOUND BRASS CAP "1941" N: 653983.4 - E: 575058.5</p> <p>D: FOUND BRASS CAP "1941" N: 653999.6 - E: 577752.7</p> <p>E: FOUND BRASS CAP "1941" N: 654017.3 - E: 580331.9</p> <p>F: FOUND BRASS CAP "1941" N: 654060.8 - E: 582941.9</p> <p>G: FOUND BRASS CAP "1941" N: 654104.0 - E: 585547.5</p> <p>H: FOUND BRASS CAP "1941" N: 651507.5 - E: 585578.0</p> <p>I: FOUND BRASS CAP "1941" N: 648910.4 - E: 585613.6</p> <p>J: FOUND BRASS CAP "1941" N: 648857.6 - E: 583013.8</p> <p>K: CALCULATED CORNER N: 648805.9 - E: 580413.8</p> <p>L: FOUND BRASS CAP "1941" N: 651411.9 - E: 580372.5</p>	<p>17 OPERATOR CERTIFICATION 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> 05/26/2022 Signature Date SARAH CHAPMAN Printed Name SCHAPMAN@SPURENERGY.COM E-mail Address</p>
		<p>18 SURVEYOR CERTIFICATION 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>01/14/2022 Date of Survey Signature and Seal of Professional Surveyor  19680 Certificate Number</p>



Job No: LS22010040

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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

1 API Number 30-015-		2 Pool Code 96830		3 Pool Name ARTESIA; GLORIETA-YESO (O)					
4 Property Code		5 Property Name BLALOCK 32 STATE				6 Well Number 50H			
7 OGRID NO. 328947		8 Operator Name SPUR ENERGY PARTNERS LLC.				9 Elevation 3701'			
10 Surface Location									
UL or lot no. H	Section 31	Township 17S	Range 28E	Lot Idn	Feet from the 1864	North/South line NORTH	Feet From the 1085	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. H	Section 32	Township 17S	Range 28E	Lot Idn	Feet from the 2200	North/South line NORTH	Feet from the 50	East/West line EAST	County EDDY
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.						

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>16</p> <p>GEODETTIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION (SL) N: 652146.6 - E: 579276.5 LAT: 32.7927216° N LONG: 104.2098707° W</p> <p>FIRST TAKE POINT (FTP) 2200' FNL & 100' FWL - SEC 32 N: 651819.8 - E: 580466.1 LAT: 32.7918194° N LONG: 104.2060008° W</p> <p>LAST TAKE POINT (LTP) 2200' FNL & 100' FEL - SEC 32 N: 651903.1 - E: 585473.4 LAT: 32.7920308° N LONG: 104.1897058° W</p> <p>BOTTOM HOLE (BH) N: 651903.9 - E: 585523.3 LAT: 32.7920328° N LONG: 104.1895432° W</p>	<p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N: 648700.0 - E: 575089.7</p> <p>B: FOUND BRASS CAP "1941" N: 651341.8 - E: 575074.4</p> <p>C: FOUND BRASS CAP "1941" N: 653983.4 - E: 575058.5</p> <p>D: FOUND BRASS CAP "1941" N: 653999.6 - E: 577752.7</p> <p>E: FOUND BRASS CAP "1941" N: 654017.3 - E: 580331.9</p> <p>F: FOUND BRASS CAP "1941" N: 654060.8 - E: 582941.9</p> <p>G: FOUND BRASS CAP "1941" N: 654104.0 - E: 585547.5</p> <p>H: FOUND BRASS CAP "1941" N: 651507.5 - E: 585578.0</p> <p>I: FOUND BRASS CAP "1941" N: 648910.4 - E: 585613.6</p> <p>J: FOUND BRASS CAP "1941" N: 648857.6 - E: 583013.8</p> <p>K: CALCULATED CORNER N: 648805.9 - E: 580413.8</p> <p>L: FOUND BRASS CAP "1941" N: 651411.9 - E: 580372.5</p>	<p>17 OPERATOR CERTIFICATION 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> 05/26/2022 Signature Date</p> <p>SARAH CHAPMAN Printed Name</p> <p>SCHAPMAN@SPURENERGY.COM E-mail Address</p>	<p>18 SURVEYOR CERTIFICATION 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>01/14/2022 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680 Certificate Number</p>
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Job No: LS22010049

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 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

1 API Number 30-015-		2 Pool Code 96830		3 Pool Name ARTESIA; GLORIETA-YESO (O)					
4 Property Code		5 Property Name BLALOCK 32 STATE				6 Well Number 70H			
7 GRID NO. 328947		8 Operator Name SPUR ENERGY PARTNERS LLC.				9 Elevation 3684'			
10 Surface Location									
UL or lot no. A	Section 31	Township 17S	Range 28E	Lot Idn	Feet from the 671	North/South line NORTH	Feet From the 973	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. A	Section 32	Township 17S	Range 28E	Lot Idn	Feet from the 750	North/South line NORTH	Feet from the 50	East/West line EAST	County EDDY
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.

16

GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 653339.7 - E: 579369.9
LAT: 32.7960008° N
LONG: 104.2095623° W

FIRST TAKE POINT (FTP)
750' FNL & 100' FWL - SEC 32
N: 653269.2 - E: 580443.5
LAT: 32.7958035° N
LONG: 104.2060686° W

LAST TAKE POINT (LTP)
750' FNL & 100' FEL - SEC 32
N: 653352.6 - E: 585456.3
LAT: 32.7960151° N
LONG: 104.1897549° W

BOTTOM HOLE (BH)
N: 653353.4 - E: 585506.3
LAT: 32.7960171° N
LONG: 104.1895922° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N: 648700.0 - E: 575089.7

B: FOUND BRASS CAP "1941"
N: 651341.8 - E: 575074.4

C: FOUND BRASS CAP "1941"
N: 653983.4 - E: 575058.5

D: FOUND BRASS CAP "1941"
N: 653999.6 - E: 577752.7

E: FOUND BRASS CAP "1941"
N: 654017.3 - E: 580331.9

F: FOUND BRASS CAP "1941"
N: 654060.8 - E: 582941.9

G: FOUND BRASS CAP "1941"
N: 654104.0 - E: 585547.5

H: FOUND BRASS CAP "1941"
N: 651507.5 - E: 585578.0

I: FOUND BRASS CAP "1941"
N: 648910.4 - E: 585613.6

J: FOUND BRASS CAP "1941"
N: 648857.6 - E: 583013.8

K: CALCULATED CORNER
N: 648805.9 - E: 580413.8

L: FOUND BRASS CAP "1941"
N: 651411.9 - E: 580372.5

17 OPERATOR CERTIFICATION
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.

Sarah Chapman 05/26/2022
Signature Date

SARAH CHAPMAN
Printed Name

SCHAPMAN@SPURENERGY.COM
E-mail Address

18 SURVEYOR CERTIFICATION
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.

01/14/2022
Date of Survey

Signature and Seal of Professional Surveyor

19680
Certificate Number

Job No: LS22010041

District I
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Phone: (575) 393-6161 Fax: (575) 393-0720
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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
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-		2 Pool Code 96830		3 Pool Name ARTESIA; GLORIETA-YESO (O)					
4 Property Code		5 Property Name BLALOCK 32 STATE					6 Well Number 90H		
7 OGRID NO. 328947		8 Operator Name SPUR ENERGY PARTNERS LLC.					9 Elevation 3703'		
10 Surface Location									
UL or lot no. H	Section 31	Township 17S	Range 28E	Lot Idn	Feet from the 1825	North/South line NORTH	Feet From the 1093	East/West line EAST	County EDDY
11 Bottom Hole Location If Different From Surface									
UL or lot no. H	Section 32	Township 17S	Range 28E	Lot Idn	Feet from the 1500	North/South line NORTH	Feet from the 50	East/West line EAST	County EDDY
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.						

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.

16

GEODETTIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 652185.5 - E: 579267.1
LAT: 32.7928286° N
LONG: 104.2099011° W

FIRST TAKE POINT (FTP)
1500' FNL & 100' FWL - SEC 32
N: 652519.5 - E: 580455.2
LAT: 32.7937428° N
LONG: 104.2060335° W

LAST TAKE POINT (LTP)
1500' FNL & 100' FEL - SEC 32
N: 652602.8 - E: 585465.1
LAT: 32.7939542° N
LONG: 104.1897295° W

BOTTOM HOLE (BH)
N: 652603.7 - E: 585515.1
LAT: 32.7939563° N
LONG: 104.1895668° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N: 648700.0 - E: 575089.7

B: FOUND BRASS CAP "1941"
N: 651341.8 - E: 575074.4

C: FOUND BRASS CAP "1941"
N: 653983.4 - E: 575058.5

D: FOUND BRASS CAP "1941"
N: 653999.6 - E: 577752.7

E: FOUND BRASS CAP "1941"
N: 654017.3 - E: 580331.9

F: FOUND BRASS CAP "1941"
N: 654060.8 - E: 582941.9

G: FOUND BRASS CAP "1941"
N: 654104.0 - E: 585547.5

H: FOUND BRASS CAP "1941"
N: 651507.5 - E: 585578.0

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N: 648910.4 - E: 585613.6

J: FOUND BRASS CAP "1941"
N: 648857.6 - E: 583013.8

K: CALCULATED CORNER
N: 648805.9 - E: 580413.8

L: FOUND BRASS CAP "1941"
N: 651411.9 - E: 580372.5

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Sarah Chapman 05/26/2022
Signature Date

SARAH CHAPMAN
Printed Name

SCHAPMAN@SPURENERGY.COM
E-mail Address

18 SURVEYOR CERTIFICATION

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.

01/14/2022
Date of Survey

Signature and Seal of Professional Surveyor

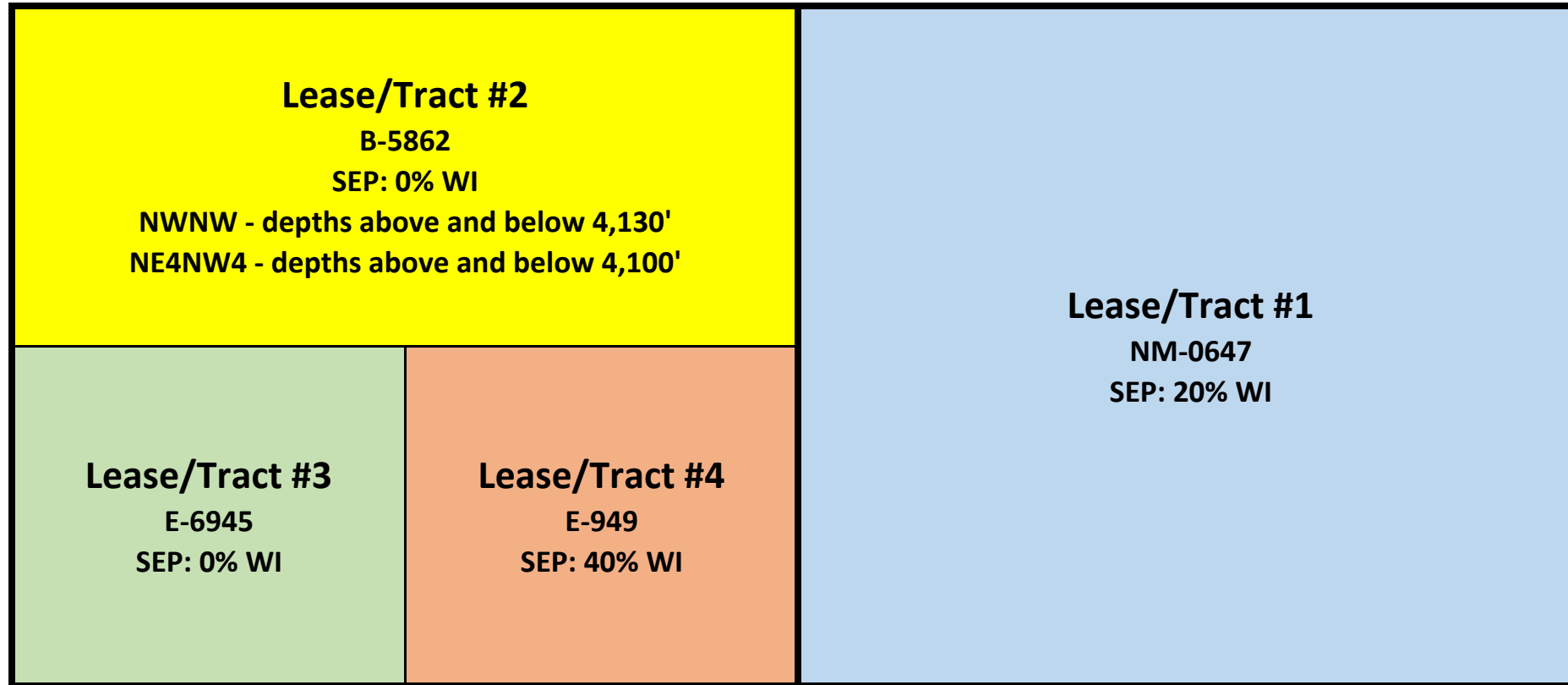
19680
Certificate Number

ROBERT M. HOWETT
NEW MEXICO
19680
PROFESSIONAL SURVEYOR

Job No: LS22010047

PLAT OF

320.00 acres of land, more or less, being the N/2 of Section 32 , Township 17 South, Range 28 East, Eddy County, New Mexico



Blalock - Leases - N/2 Sec. 32-17S-28E

**Case Number 22597 - From the top of the Yeso formation to 4,100'
Blalock #1H, 10H, 11H**

**Case Number 22598 - From 4,130' to the base of the Yeso formation
Blalock #50H, 70H, 90H**

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

BLALOCK SHALLOW (SURFACE to 4,100')- TRACT/DSU WORKING INTEREST SUMMARY

TRACT NUMBER	LOCATION	SECTION	ACRES
TRACT 1	NE/4	32-17S-28E	160
TRACT 2A SHALLOW	NE/4 NW/4	32-17S-28E	40
TRACT 2B SHALLOW	NW/4 NW/4	32-17S-28E	40
TRACT 3	SW/4 NW/4	32-17S-28E	40
TRACT 4	SE/4 NW/4	32-17S-28E	40
			320

Parties to be pooled are highlighted in YELLOW

		Operating Rights Ownership		
TRACT	Interest Type	WI	Gross Ac	Net Ac
TRACT 1				
ZPZ Delaware I LLC	WI	0.30000000	160.00000000	48.00000000
SEP Permian LLC	WI	0.20000000	160.00000000	32.00000000
EOG Resources, Inc.	WI	0.18055556	160.00000000	28.88888960
WPX Energy Permian, LLC	WI	0.15972222	160.00000000	25.55555520
Chase Oil Corporation	WI	0.15972222	160.00000000	25.55555520
TOTAL		1.00000000	160.00000000	160.00000000
TRACT 2A SHALLOW				
Contango Resources, Inc.	WI	0.87500000	40.00000000	35.00000000
Read & Stevens, Inc.	WI	0.12500000	40.00000000	5.00000000
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 2B SHALLOW				
Contango Resources, Inc.	WI	0.87500000	40.00000000	35.00000000
Read & Stevens, Inc.	WI	0.12500000	40.00000000	5.00000000
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 3				
Occidental Permian Limited Partnership	WI	0.75000000	40.00000000	30.00000000
Bradco Partnership, L.L.C.	WI	0.00665510	40.00000000	0.26620400
Ludora Bradshaw	WI	0.00332756	40.00000000	0.13310240
Christopher Bradshaw	WI	0.00166377	40.00000000	0.06655080
Joe Bradshaw	WI	0.00166377	40.00000000	0.06655080
Gary Leach	WI	0.00166377	40.00000000	0.06655080
Jim Leach	WI	0.00166377	40.00000000	0.06655080
Coby Miller	WI	0.00166377	40.00000000	0.06655080
Craig Miller	WI	0.00166377	40.00000000	0.06655080
EOG Resources, Inc.	WI	0.03583142	40.00000000	1.43325680
Marigold LLP	WI	0.02830826	40.00000000	1.13233040
Tulipan LLC	WI	0.02830826	40.00000000	1.13233040
Richard Martin Yates	WI	0.02123119	40.00000000	0.84924760
St. Clair Peyton Yates, Jr.	WI	0.02123119	40.00000000	0.84924760
Mary Yates Davis	WI	0.02123119	40.00000000	0.84924760
Oxy Y-1 Company	WI	0.02123118	40.00000000	0.84924720
Sharbro Energy LLC	WI	0.02256944	40.00000000	0.90277760
Jalapeno Corporation	WI	0.00722045	40.00000000	0.28881800
MRC Delaware Resources LLC	WI	0.01717838	40.00000000	0.68713520
Yates Energy Corporation	WI	0.00569376	40.00000000	0.22775040
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 4				
SEP Permian LLC	WI	0.40000000	40.00000000	16.00000000
ZPZ Delaware I LLC	WI	0.60000000	40.00000000	24.00000000
TOTAL		1.00000000	40.00000000	40.00000000

BLALOCK SHALLOW OPERATING RIGHTS DSU RECAPITULATION		
	Net Ac	DSU WI %
Bradco Partnership, L.L.C.	0.266204	0.083189%
Chase Oil Corporation	25.55555520	7.986111%
Christopher Bradshaw	0.06655080	0.020797%
Coby Miller	0.066551	0.020797%
Contango Resources, Inc.	70.000000	21.875000%
Craig Miller	0.06655080	0.020797%
EOG Resources, Inc.	30.32214640	9.475671%
Gary Leach	0.06655080	0.020797%
MRC Delaware Resources LLC	0.68713520	0.214730%
Jalapeno Corporation	0.28881800	0.090256%
Jim Leach	0.06655080	0.020797%
Joe Bradshaw	0.06655080	0.020797%
Ludora Bradshaw	0.13310240	0.041595%
Marigold LLP	1.13233040	0.353853%
Mary Yates Davis	0.84924760	0.265390%
Occidental Permian Limited Partnership	30.00000000	9.375000%
Oxy Y-1 Company	0.84924720	0.265390%
Read & Stevens, Inc.	10.00000000	3.125000%
Richard Martin Yates	0.84924760	0.265390%
SEP Permian LLC	48.00000000	15.000000%
Sharbro Energy LLC	0.90277760	0.282118%
St. Clair Peyton Yates, Jr.	0.84924760	0.265390%
Tulipan LLC	1.13233040	0.353853%
WPX Energy Permian, LLC	25.55555520	7.986111%
Yates Energy Corporation	0.22775040	0.071172%
ZPZ Delaware I LLC	72.00000000	22.500000%
TOTAL	320.000000	100.00%

BLALOCK DEEP (4,130'-to base of Yeso)- TRACT/DSU WORKING INTEREST SUMMARY

TRACT NUMBER	LOCATION	SECTION	ACRES
TRACT 1	NE/4	32-17S-28E	160
TRACT 2A DEEP	NE/4 NW/4	32-17S-28E	40
TRACT 2B DEEP	NW/4 NW/4	32-17S-28E	40
TRACT 3	SW/4 NW/4	32-17S-28E	40
TRACT 4	SE/4 NW/4	32-17S-28E	40
			320

Parties to be pooled are highlighted in YELLOW

		Operating Rights Ownership		
TRACT	Interest Type	WI	Gross Ac	Net Ac
TRACT 1				
ZPZ Delaware I LLC	WI	0.30000000	160.00000000	48.00000000
SEP Permian LLC	WI	0.20000000	160.00000000	32.00000000
EOG Resources, Inc.	WI	0.18055556	160.00000000	28.88888960
WPX Energy Permian, LLC	WI	0.15972222	160.00000000	25.55555520
Chase Oil Corporation	WI	0.15972222	160.00000000	25.55555520
TOTAL		1.00000000	160.00000000	160.00000000
TRACT 2A DEEP				
EOG Resources, Inc.	WI	0.87500000	40.00000000	35.00000000
Read & Stevens, Inc.	WI	0.12500000	40.00000000	5.00000000
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 2B DEEP				
EOG Resources, Inc.	WI	0.87500000	40.00000000	35.00000000
Read & Stevens, Inc.	WI	0.12500000	40.00000000	5.00000000
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 3				
Occidental Permian Limited Partnership	WI	0.75000000	40.00000000	30.00000000
Bradco Partnership, L.L.C.	WI	0.00665510	40.00000000	0.26620400
Ludora Bradshaw	WI	0.00332756	40.00000000	0.13310240
Christopher Bradshaw	WI	0.00166377	40.00000000	0.06655080
Joe Bradshaw	WI	0.00166377	40.00000000	0.06655080
Gary Leach	WI	0.00166377	40.00000000	0.06655080
Jim Leach	WI	0.00166377	40.00000000	0.06655080
Coby Miller	WI	0.00166377	40.00000000	0.06655080
Craig Miller	WI	0.00166377	40.00000000	0.06655080
EOG Resources, Inc.	WI	0.03583142	40.00000000	1.43325680
Marigold LLP	WI	0.02830826	40.00000000	1.13233040
Tulipan LLC	WI	0.02830826	40.00000000	1.13233040
Richard Martin Yates	WI	0.02123119	40.00000000	0.84924760
St. Clair Peyton Yates, Jr.	WI	0.02123119	40.00000000	0.84924760
Mary Yates Davis	WI	0.02123119	40.00000000	0.84924760
Oxy Y-1 Company	WI	0.02123118	40.00000000	0.84924720
Sharbro Energy LLC	WI	0.02256944	40.00000000	0.90277760
Jalapeno Corporation	WI	0.00722045	40.00000000	0.28881800
MRC Delaware Resources LLC	WI	0.01717838	40.00000000	0.68713520
Yates Energy Corporation	WI	0.00569376	40.00000000	0.22775040
TOTAL		1.00000000	40.00000000	40.00000000
TRACT 4				
SEP Permian LLC	WI	0.40000000	40.00000000	16.00000000
ZPZ Delaware I LLC	WI	0.60000000	40.00000000	24.00000000
TOTAL		1.00000000	40.00000000	40.00000000

BLALOCK DEEP OPERATING RIGHTS DSU RECAPITULATION		
	Net Ac	DSU WI %
Bradco Partnership, L.L.C.	0.266204	0.083189%
Chase Oil Corporation	25.55555520	7.986111%
Christopher Bradshaw	0.06655080	0.020797%
Coby Miller	0.066551	0.020797%
Craig Miller	0.06655080	0.020797%
EOG Resources, Inc.	100.32214640	31.350671%
Gary Leach	0.06655080	0.020797%
MRC Delaware Resources LLC	0.68713520	0.214730%
Jalapeno Corporation	0.28881800	0.090256%
Jim Leach	0.06655080	0.020797%
Joe Bradshaw	0.06655080	0.020797%
Ludora Bradshaw	0.13310240	0.041595%
Marigold LLP	1.13233040	0.353853%
Mary Yates Davis	0.84924760	0.265390%
Occidental Permian Limited Partnership	30.00000000	9.375000%
Oxy Y-1 Company	0.84924720	0.265390%
Read & Stevens, Inc.	10.00000000	3.125000%
Richard Martin Yates	0.84924760	0.265390%
SEP Permian LLC	48.00000000	15.000000%
Sharbro Energy LLC	0.90277760	0.282118%
St. Clair Peyton Yates, Jr.	0.84924760	0.265390%
Tulipan LLC	1.13233040	0.353853%
WPX Energy Permian, LLC	25.55555520	7.986111%
Yates Energy Corporation	0.22775040	0.071172%
ZPZ Delaware I LLC	72.00000000	22.500000%
	320.000000	100.00%

SEEKING TO POOL THE FOLLOWING NPRI AND ORRI OWNERS IN THE BLALOCK SHALLOW (Surface- 4,100') UNIT	
ORRI	NPRI
EOG Resources, Inc. PO BOX 4362 HOUSTON, TX 44210-4362, or 104 S. 4th Street Artesia, NM 88210	
Nestegg Energy Corporation 2308 Sierra Vista Rd. Artesia, NM 88210	
Yates Brothers PO Box 1394 Artesia, NM 88211	
Yates Energy Royalty Interests, LLC PO Box 2323 Sunwest Bank Bldg., Suite 1010 Roswell, NM 88201	

SEEKING TO POOL THE FOLLOWING NPRI AND ORRI OWNERS IN THE BLALOCK DEEP (4,130'-Base of Yeso) UNIT	
ORRI	NPRI
Nestegg Energy Corporation 2308 Sierra Vista Rd. Artesia, NM 88210	
Yates Brothers PO Box 1394 Artesia, NM 88211	
Yates Energy Royalty Interests, LLC PO Box 2323 Sunwest Bank Bldg., Suite 1010 Roswell, NM 88201	



December 13, 2021

RE: Revised Well Proposal
Blalock State Com 1H, 10H and 11H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico

To Whom It May Concern,

Spur Energy Partners LLC ("SPUR"), an affiliate of SEP Permian LLC ("SEP"), hereby amends its June 14, 2021 proposal to only drill and complete the Blalock State Com 1H, 10H and 11H wells (instead of the Blalock State Com 1H, 10H, 11H and 30H) to the approximate total vertical depths as referenced below as horizontal Yeso wells (the "Subject Wells") at the following proposed locations (subject to change upon staking and survey).

Blalock State Com 1H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 600' FNL & 950' FEL, Section 31, T17S-R28E
Proposed Bottom Hole Location – 1,200' FNL & 50' FEL, Section 32, T17S-R28E
TVD: 3,575'

Blalock State Com 10H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 620' FNL & 950' FEL, Section 31, T17S-R28E
Proposed Bottom Hole Location – 450' FNL & 50' FEL, Section 32, T17S-R28E
TVD: 3,700'

Blalock State Com 11H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,820' FNL & 875' FEL, Section 31, T17S-R28E
Proposed Bottom Hole Location – 1,950' FNL & 50' FEL, Section 32, T17S-R28E
TVD: 3,800'

SPUR proposes to form an overlapping horizontal well Drilling Spacing Unit ("DSU") covering the N/2 of Section 32, T17S-R28E, Eddy County, New Mexico, containing 320 acres of land, more or less, from the top of the Yeso formation to a depth of 4,100 feet within the Yeso formation. The proposed horizontal well DSU will overlap existing vertical well spacing units in the Yeso formation. Portions of these lands are likely governed by existing Joint Operating Agreements ("JOAs") which also cover the Yeso formation and which govern operations for vertical wells. For the mutually exclusive development of horizontal wells, and any concept wells (i.e., micro seismic wells, pilot hole wells) within the DSU, SPUR proposes creating a new joint operating agreement dated January 1, 2022, ("NJOA") to govern proposals and operations within the DSU. The NJOA shall supersede any existing operations under any JOAs, expressly limited however, to horizontal well development and operations within the DSU. The NJOA has the following general provisions:

- Effective Date of January 1, 2022
Contract Area consisting of the N/2 of Section 32, T17S-R28E
Limited in depth from the top of the Yeso formation to a depth of 4,100'
100%/300%/300% non-consenting penalty
\$8,000/\$800 drilling and producing monthly overhead rate
Spur Energy Partners LLC named as Operator

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C4
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

**Revised Well Proposal
Blalock State Com 1H, 10H and 11H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico
December 13, 2021
Page 2**

The enclosed AFEs reflect the total estimated drilling and completion costs for each well. The AFEs are an estimate only and those parties electing to participate in the Subject Wells shall be responsible for their share of actual well costs, whether more or less than those shown on the enclosed AFEs.

SPUR respectfully requests that you select one of the following three options with regard to your interest in the proposed wells:

Option 1: Participate in the drilling and completion of the proposed well and agree to enter into the NJOA with the terms specified above.

Option 2: Not participate in the proposed well (an election of "Non-Consent")

Option 3 – Assignment Option: Assign your working interest in the N/2 Section 32-T17S-R28E, exclusive of existing wellbores, to SEP for a bonus consideration of \$1,500 per net acre, delivering no less than a 75% leasehold net revenue interest (all rights owned).

Should you elect Option 1 or Option 2, SPUR will send the NJOA for your review and execution. If you prefer to review the NJOA prior to making an election, please request a copy by email and SPUR will supply you the NJOA. In the event you elect to assign your leasehold interest under the terms outlined above in Option 3, upon receipt of your election, SPUR will submit the Assignment to you for your review and execution.

SPUR looks forward to working with you on this matter. However, if an agreement cannot be reached within 30 days of the receipt date of this proposal, please be advised SPUR may apply to the New Mexico Oil Conservation Division for Compulsory Pooling of any uncommitted interest owners into a spacing unit for the proposed wells.

Please indicate your elections as to the Subject Wells in the spaces provided below and execute and return a copy of this letter to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact me via email at rdalton@spurenergy.com.

Sincerely,



Rett Dalton
Sr. Landman

Enclosures

Individual Well Elections
AFEs



December 16, 2021

**RE: Working Interest Information for Revised Well Proposals
Blalock State Com 1H, 10H, 11H, 50H, 70H, and 90H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico**

To Whom It May Concern,

With reference to those certain Revised Well Proposals dated December 13, 2021, from Spur Energy Partners LLC ("SPUR"), an affiliate of SEP Permian LLC ("SEP"), for the subject wells, please be advised based upon our information, your estimated working interest for each of the subject wells is stated below.

Company: [Redacted] LLC
Estimated Working Interest for the 1H, 10H and 11H wells are: [Redacted] 5%
Estimated Working Interest for the 50H, 70H and 90H wells are: [Redacted] 5%

Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or mulauck@spurenergy.com or the undersigned via email at rdalton@spurenergy.com.

Sincerely,

Rett Dalton
Sr. Landman



Blalock State Com 1H

_____ *Option 1) The undersigned elects to participate in the drilling and completion of the Blalock State Com 1H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ *Option 2) The undersigned elects not to participate in the drilling and completion of the Blalock State Com 1H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Blalock State Com 10H

_____ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Blalock State Com 10H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ **Option 2)** *The undersigned elects not to participate in the drilling and completion of the Blalock State Com 10H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Blalock State Com 11H

_____ *Option 1) The undersigned elects to participate in the drilling and completion of the Blalock State Com 11H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ *Option 2) The undersigned elects not to participate in the drilling and completion of the Blalock State Com 11H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



**Blalock State Com 1H, 10H and 11H
Option 3 – Assignment Option**

_____ *The undersigned hereby elects to assign their working interest in the N/2 of Section 32-T17S-R28E, exclusive of existing wellbores, to SEP for a bonus consideration of \$1,500 per net acre, delivering no less than a 75% leasehold net revenue interest (all rights owned).*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21153
Well Name : BLALOCK 1H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 18,600	\$ -	\$ -	\$ -	\$ 18,600	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 138,000	\$ -	\$ -	\$ -	\$ 138,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 71,000	\$ -	\$ -	\$ -	\$ 71,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 150	\$ -	\$ -	\$ -	\$ 150	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 7,200	\$ -	\$ -	\$ -	\$ 7,200	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 68,550	\$ -	\$ -	\$ -	\$ 68,550	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 829,000	\$ -	\$ -	\$ -	\$ 829,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 293,000	\$ -	\$ -	\$ -	\$ 293,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 413,000	\$ -	\$ -	\$ -	\$ 413,000	\$ -
	DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 1H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,227,000	\$ -	\$ -	\$ -	\$ 3,227,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21154
Well Name : BLALOCK 10H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 18,600	\$ -	\$ -	\$ -	\$ 18,600	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 138,000	\$ -	\$ -	\$ -	\$ 138,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 71,000	\$ -	\$ -	\$ -	\$ 71,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 150	\$ -	\$ -	\$ -	\$ 150	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 7,200	\$ -	\$ -	\$ -	\$ 7,200	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 68,550	\$ -	\$ -	\$ -	\$ 68,550	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 829,000	\$ -	\$ -	\$ -	\$ 829,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 293,000	\$ -	\$ -	\$ -	\$ 293,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 413,000	\$ -	\$ -	\$ -	\$ 413,000	\$ -
	DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 10H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,227,000	\$ -	\$ -	\$ -	\$ 3,227,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21155
Well Name : BLALOCK 11H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 18,600	\$ -	\$ -	\$ -	\$ 18,600	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 138,000	\$ -	\$ -	\$ -	\$ 138,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 71,000	\$ -	\$ -	\$ -	\$ 71,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 150	\$ -	\$ -	\$ -	\$ 150	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 7,200	\$ -	\$ -	\$ -	\$ 7,200	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 68,550	\$ -	\$ -	\$ -	\$ 68,550	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 829,000	\$ -	\$ -	\$ -	\$ 829,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 293,000	\$ -	\$ -	\$ -	\$ 293,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 413,000	\$ -	\$ -	\$ -	\$ 413,000	\$ -
	DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 11H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,242,000	\$ -	\$ -	\$ -	\$ 1,242,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,227,000	\$ -	\$ -	\$ -	\$ 3,227,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	



December 13, 2021

RE: Revised Well Proposal
Blalock State Com 50H, 70H, and 90H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico

To Whom It May Concern,

Spur Energy Partners LLC ("SPUR"), an affiliate of SEP Permian LLC ("SEP"), hereby amends its June 14, 2021 proposal to only drill and complete the **Blalock State Com 50H, 70H and 90H** wells (instead of the Blalock State Com 1H, 10H, 11H, 30H, 50H, 51H, 70H, 71H, 90H and 91H) to the approximate total vertical depths as referenced below as horizontal Yeso wells (the "Subject Wells") at the following proposed locations (subject to change upon staking and survey).

Blalock State Com 50H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,840' FNL & 875' FEL, Section 31, T17S-R28E
- Proposed Bottom Hole Location – 2,200' FNL & 50' FEL, Section 32, T17S-R28E
- TVD: 4,210'

Blalock State Com 70H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 640' FNL & 950' FEL, Section 31, T17S-R28E
- Proposed Bottom Hole Location – 750' FNL & 50' FEL, Section 32, T17S-R28E
- TVD: 4,400'

Blalock State Com 90H Well – Horizontal Yeso Well, Eddy County, NM

- Proposed Surface Hole Location – 1,800' FNL & 875' FEL, Section 31, T17S-R28E
- Proposed Bottom Hole Location – 1,500' FNL & 50' FEL, Section 32, T17S-R28E
- TVD: 4,850'

SPUR proposes to form an overlapping horizontal well Drilling Spacing Unit ("DSU") covering the N/2 of Section 32, T17S-R28E, Eddy County, New Mexico, containing 320 acres of land, more or less, from a vertical depth of 4,130 feet to the base of the Yeso formation. The proposed horizontal well DSU will overlap existing vertical well spacing units in the Yeso formation. Portions of these lands are likely governed by existing Joint Operating Agreements ("JOAs") which also cover the Yeso formation and which govern operations for vertical wells. For the mutually exclusive development of horizontal wells, and any concept wells (i.e., micro seismic wells, pilot hole wells) within the DSU, SPUR proposes creating a new joint operating agreement dated January 1, 2022, ("NJOA") to govern proposals and operations within the DSU. The NJOA shall supersede any existing operations under any JOAs, expressly limited however, to horizontal well development and operations within the DSU. The NJOA has the following general provisions:

- Effective Date of January 1, 2022
- Contract Area consisting of the N/2 of Section 32, T17S-R28E
- Limited in depth from 4,130' below the surface to the base of the Yeso formation
- 100%/300%/300% non-consenting penalty
- \$8,000/\$800 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named as Operator

**Revised Well Proposal
Blalock State Com 50H, 70H, and 90H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico
December 13, 2021
Page 2**

The enclosed AFEs reflect the total estimated drilling and completion costs for each well. The AFEs are an estimate only and those parties electing to participate in the Subject Wells shall be responsible for their share of actual well costs, whether more or less than those shown on the enclosed AFEs.

SPUR respectfully requests that you select one of the following three options with regard to your interest in the proposed wells:

Option 1: Participate in the drilling and completion of the proposed well and agree to enter into the NJOA with the terms specified above.

Option 2: Not participate in the proposed well (an election of "Non-Consent")

Option 3 – Assignment Option: Assign your working interest in the N/2 Section 32-T17S-R28E, exclusive of existing wellbores, to SEP for a bonus consideration of \$1,500 per net acre, delivering no less than a 75% leasehold net revenue interest (all rights owned).

Should you elect Option 1 or Option 2, SPUR will send the NJOA for your review and execution. If you prefer to review the NJOA prior to making an election, please request a copy by email and SPUR will supply you the NJOA. In the event you elect to assign your leasehold interest under the terms outlined above in Option 3, upon receipt of your election, SPUR will submit the Assignment to you for your review and execution.

SPUR looks forward to working with you on this matter. However, if an agreement cannot be reached within 30 days of the receipt date of this proposal, please be advised SPUR may apply to the New Mexico Oil Conservation Division for Compulsory Pooling of any uncommitted interest owners into a spacing unit for the proposed wells.

Please indicate your elections as to the Subject Wells in the spaces provided below and execute and return a copy of this letter to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact me via email at rdalton@spurenergy.com.

Sincerely,



Rett Dalton
Sr. Landman

Enclosures
Individual Well Elections
AFEs



December 16, 2021

RE: Working Interest Information for Revised Well Proposals
Blalock State Com 1H, 10H, 11H, 50H, 70H, and 90H
N/2 Section 32, T17S-R28E
Eddy County, New Mexico

To Whom It May Concern,

With reference to those certain Revised Well Proposals dated December 13, 2021, from Spur Energy Partners LLC ("SPUR"), an affiliate of SEP Permian LLC ("SEP"), for the subject wells, please be advised based upon our information, your estimated working interest for each of the subject wells is stated below.

Company: [Redacted] LLC
Estimated Working Interest for the 1H, 10H and 11H wells are: [Redacted] 5%
Estimated Working Interest for the 50H, 70H and 90H wells are: [Redacted] 5%

Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or mulauck@spurenergy.com or the undersigned via email at rdalton@spurenergy.com.

Sincerely,

Rett Dalton
Sr. Landman



Blalock State Com 50H

_____ *Option 1) The undersigned elects to participate in the drilling and completion of the Blalock State Com 50H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ *Option 2) The undersigned elects not to participate in the drilling and completion of the Blalock State Com 50H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Blalock State Com 70H

_____ *Option 1) The undersigned elects to participate in the drilling and completion of the Blalock State Com 70H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ *Option 2) The undersigned elects not to participate in the drilling and completion of the Blalock State Com 70H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Blalock State Com 90H

_____ **Option 1)** *The undersigned elects to participate in the drilling and completion of the Blalock State Com 90H well and agrees to the formation of the DSU and to the terms of the NJOA as detailed in this proposal, with the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the DSU.*

_____ **Option 2)** *The undersigned elects not to participate in the drilling and completion of the Blalock State Com 90H well.*

Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide SPUR with a copy of your Certificate of Insurance.

Well Insurance:

_____ *The undersigned requests Well Insurance coverage provided by Spur Energy Partners.*

_____ *The undersigned elects to obtain individual Well Insurance coverage.*

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



**Blalock State Com 50H, 70H, and 90H
Option 3 – Assignment Option**

_____ The undersigned hereby elects to assign their working interest in the N/2 of Section 32-T17S-R28E, exclusive of existing wellbores, to SEP for a bonus consideration of \$1,500 per net acre, delivering no less than a 75% leasehold net revenue interest (all rights owned).

Agreed to and Accepted this _____ day of _____, 202__.

Company/Individual: _____

By: _____

Name: _____

Title: _____



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21156
Well Name : BLALOCK 50H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 47,000	\$ -	\$ -	\$ -	\$ 47,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 24,800	\$ -	\$ -	\$ -	\$ 24,800	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 164,000	\$ -	\$ -	\$ -	\$ 164,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 90,200	\$ -	\$ -	\$ -	\$ 90,200	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 200	\$ -	\$ -	\$ -	\$ 200	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 62,500	\$ -	\$ -	\$ -	\$ 62,500	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 64,000	\$ -	\$ -	\$ -	\$ 64,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 78,200	\$ -	\$ -	\$ -	\$ 78,200	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 965,000	\$ -	\$ -	\$ -	\$ 965,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 305,000	\$ -	\$ -	\$ -	\$ 305,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 425,000	\$ -	\$ -	\$ -	\$ 425,000	\$ -
	DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 50H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,375,000	\$ -	\$ -	\$ -	\$ 3,375,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21157
Well Name : BLALOCK 70H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 47,000	\$ -	\$ -	\$ -	\$ 47,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 24,800	\$ -	\$ -	\$ -	\$ 24,800	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 164,000	\$ -	\$ -	\$ -	\$ 164,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 90,200	\$ -	\$ -	\$ -	\$ 90,200	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 200	\$ -	\$ -	\$ -	\$ 200	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 62,500	\$ -	\$ -	\$ -	\$ 62,500	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 64,000	\$ -	\$ -	\$ -	\$ 64,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 78,200	\$ -	\$ -	\$ -	\$ 78,200	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 965,000	\$ -	\$ -	\$ -	\$ 965,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 305,000	\$ -	\$ -	\$ -	\$ 305,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 425,000	\$ -	\$ -	\$ -	\$ 425,000	\$ -
	DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 70H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,375,000	\$ -	\$ -	\$ -	\$ 3,375,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE # : C21158
Well Name : BLALOCK 90H	
Location : NEW MEXICO / EDDY	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-1001	LOCATION/DAMAGES/ROW-LAND	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1002	TITLE WORK/LANDMAN SERVICES - LAND	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-1003	DAMAGES/ROW - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1005	SURVEY - LAND	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1050	DRILLING PERMITS	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1301	DRILLING RENTALS: SURFACE	\$ 47,000	\$ -	\$ -	\$ -	\$ 47,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 56,500	\$ -	\$ -	\$ -	\$ 56,500	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 24,800	\$ -	\$ -	\$ -	\$ 24,800	\$ -
2050-1900	GROUND TRANSPORT	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 164,000	\$ -	\$ -	\$ -	\$ 164,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 90,200	\$ -	\$ -	\$ -	\$ 90,200	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 200	\$ -	\$ -	\$ -	\$ 200	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 62,500	\$ -	\$ -	\$ -	\$ 62,500	\$ -
2050-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3400	DESIGN & ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3600	COMPANY LABOR	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-3800	NON OPERATED CHARGES - IDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3900	FUEL, WATER & LUBE	\$ 64,000	\$ -	\$ -	\$ -	\$ 64,000	\$ -
2050-4000	CEMENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2050-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-4002	SURFACE AND INTERMEDIATE SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4003	PROD CSG CEMENT AND SERVICE	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-4004	PROD CSG CREW AND LAYDOWN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-4101	CORES, DST'S, AND ANALYSIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8000	MUD LOGGER	\$ 9,600	\$ -	\$ -	\$ -	\$ 9,600	\$ -
2050-8001	MOB/DEMOB RIG	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-8003	VACUUM TRUCKING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 78,200	\$ -	\$ -	\$ -	\$ 78,200	\$ -
	INTANGIBLE DRILLING SUBTOTAL	\$ 965,000	\$ -	\$ -	\$ -	\$ 965,000	\$ -

TANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2051-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-3800	NON OPERATED CHARGES - TDC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5100	SURFACE CASING	\$ 74,000	\$ -	\$ -	\$ -	\$ 74,000	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 305,000	\$ -	\$ -	\$ -	\$ 305,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TANGIBLE DRILLING SUBTOTAL	\$ 425,000	\$ -	\$ -	\$ -	\$ 425,000	\$ -
	DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -

INTANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2055-1000	LOCATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1001	TITLE WORK AND OPINIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1002	OUTSIDE LEGAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1100	FISHING TOOLS & SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1300	EQUIP RENT	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 255,000	\$ -	\$ -	\$ -	\$ 255,000	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 141,000	\$ -	\$ -	\$ -	\$ 141,000	\$ -
2055-1900	GROUND TRANSPORT	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -
2055-2300	FRAC PLUGS	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-2402	FRAC TANK RENTALS	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000	\$ -
2055-2403	FLOWBACK	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 373,750	\$ -	\$ -	\$ -	\$ 373,750	\$ -
2055-3400	PROPPANT	\$ 158,000	\$ -	\$ -	\$ -	\$ 158,000	\$ -
2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 130,000	\$ -	\$ -	\$ -	\$ 130,000	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2055-8002	KILL TRUCK	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8003	COIL TUBING,SNUBBING,NITRO SVC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8004	CONTRACT LABOR/SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-8005	CONTRACT LABOR - ARTIFICIAL LIFT	\$ 16,500	\$ -	\$ -	\$ -	\$ 16,500	\$ -
2055-8006	CONTRACT LABOR - ELECTRICAL/AUTOMATION	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2055-8007	CONTRACT LABOR - WELL LEVEL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2055-8008	CONTRACT LABOR - FRAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE COMPLETION SUBTOTAL		\$ 1,431,250	\$ -	\$ -	\$ -	\$ 1,431,250	\$ -

TANGIBLE COMPLETION	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2065-2500	SUPPLIES & SMALL TOOLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-2700	COMMUNICATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3000	BITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-3800	NON OPERATED CHARGES - TCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-4102	WATER SUPPLY WELL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5001	OVERHEAD POWER	\$ 12,750	\$ -	\$ -	\$ -	\$ 12,750	\$ -
2065-5002	PARTS & SUPPLIES - ARTIFICIAL LIFT	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 45,000	\$ -	\$ -	\$ -	\$ 45,000	\$ -
2065-5200	TUBING HEAD/XMAS TREE	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ -
2065-5300	SUBSURFACE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5400	PACKER AND SUBSURFACE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5500	SUBSURFACE PUMP, RODS, AND ACCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5600	PUMPING & LIFTING EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5900	HEALTH, SAFETY, AND ENVIRONMENTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5901	LINER HANGER/CASING ACCESSORY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5902	PACKERS/OTHER DOWNHOLE EQUIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065-5903	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TANGIBLE COMPLETION SUBTOTAL		\$ 153,750	\$ -	\$ -	\$ -	\$ 153,750	\$ -
COMPLETION TOTAL		\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -

INTANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2056-1006	ENVIRONMENTAL/ARC - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2002	FACILITY PAD CONSTRUCTION	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2006	MISC INTANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2008	CONTRACT LABOR - AUTOMATION	\$ 6,500	\$ -	\$ -	\$ -	\$ 6,500	\$ -
2056-2009	EQUIPMENT RENTALS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2010	FREIGHT & HANDLING	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2056-2012	CONTRACT LABOR - ELECTRICAL	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2056-2013	FACILITY CONSTRUCTION LABOR	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
2056-2014	PIPELINE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2016	LOCATION/DAMAGES/ROW-LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2017	TITLE WORK/LANDMAN SERVICES - LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056-2019	NON OPERATED CHARGES - IFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTANGIBLE FACILITY SUBTOTAL		\$ 106,500	\$ -	\$ -	\$ -	\$ 106,500	\$ -

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-1600	LACT	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2066-1700	AUTOMATION METERS, SENSORS, VALVES, & SCREENS	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2066-1900	LEASE AND FLOW LINES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2000	CATHODIC PRCT-SOLAR PWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2003	MISC FITTINGS & SUPPLIES	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ -
2066-2004	PUMPS & PUMP SUPPLIES	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000	\$ -
2066-2005	PUMP & FILTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2006	MISC TANGIBLE FACILITY COSTS	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2066-2007	TANKS (OIL & WATER)	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2066-2015	CONTAINMENT	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2017	SWD WELLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2018	NON OPERATED CHARGES - TFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-2019	PIPING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2066-2020	ELECTRICAL - FACILITY	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000	\$ -
TANGIBLE FACILITY SUBTOTAL		\$ 293,500	\$ -	\$ -	\$ -	\$ 293,500	\$ -
FACILITY TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -

BLALOCK 90H TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,390,000	\$ -	\$ -	\$ -	\$ 1,390,000	\$ -
COMPLETION TOTAL	\$ 1,585,000	\$ -	\$ -	\$ -	\$ 1,585,000	\$ -
FACILITY TOTAL	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL WELL COST	\$ 3,375,000	\$ -	\$ -	\$ -	\$ 3,375,000	\$ -

Partner Approval	
Signed _____	Company _____
Name _____	Date _____
Title _____	

Santa Fe, New Mexico

Exhibit No. C5

Submitted by: Spur Energy Partners, LLC

Hearing Date: June 2, 2022

Case Nos. 22597-22598

SPUR_BLA LOCK 1H, 10H, 11H, 50H, 70H, 90H
 CASE NO. - POSTAL DELIVERY REPORT
 CORRESPONDENCE HISTORY

USPS TRACKING	PARTY	DELIVERY ADDRESS	DELIVERY STATUS	2nd Attempt	Additional Attempts/Comments
9414 8118 9876 5845 8622 13	Chase Oil Corporation	P.O. Box 1767 Artesia, NM 88211	Item delivered December 20, 2021 at 11:25am	Chase wants to participate	Emails 2/1/22, 2/2/22, 5/12/22, 5/13/22 regarding title & want JOA. 5/23/22 - Sent email saying they are participating & want JOA.
9414 8118 9876 5845 8628 00	Contango Resources, Inc. (SHALLOW ONLY)	717 Texas Ave Suite 2900 Houston, TX 77002	Item delivered December 18, 2021 at 12:23pm		Multiple phone calls and emails Agreed to withdraw protest. Will go under Pooling Order
9414 8118 9876 5845 8626 40	EOG Resources, Inc.	Wrong Address P.O. Box 4362 Houston, TX 44210	December 19, 2021 in transit, arriving late	Item sent again with USPS tracking 9414 8118 9876 5845 3484 34 and delivered on December 20, 2021 at 7:07am	Negotiating to sell Spur interest; 5/19/22 per BD plan to close on EOG in the next 2 weeks pending title
7769 1983 5654	MRC Delaware Resources	MRC Delaware Resources c/o Matador Resources Company One Lincoln Centre 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	Item delivered May 23, 2022		5/20/2022 - sent proposal & delivered 5/23/2022
9414 8118 9876 5845 8624 42	Jalapeno Corporation	P.O. Box 1608 Albuquerque, NM 87103	Item delivered December 22, 2021 at 1:59pm		Elected to participate 1.17.22 Negotiating JOA and Term Assignment
9414 8118 9876 5845 8608 37	Marigold, LLP	Attn: Susan Hansen P.O. Box 65817 Albuquerque, NM 87193	Item delivered January 12, 2022 at 9:55am	5/17/22 Spoke with Susan & she said possibly sold to EOG. Sending proposals in email to confirm.	5/18/22 Sent email to Susan to confirm the right legals were on conveyance. 5/24/22 emailed Susan to let her know the legal was not included in the assignment & an affidavit of correction is needed. 5/24/22 Susan emailed saying she will get a correction, file & return to us when available. (Interest should go to EOG)
9414 8118 9876 5845 8609 12	Mary Yates Davis	Attn: Susan Hansen P.O. Box 65817 Albuquerque, NM 87193	Item delivered January 12, 2022 at 9:55am	5/17/22 Spoke with Susan & she said possibly sold to EOG. Sending proposals in email to confirm.	5/17/22 Spoke with Susan & she said possibly sold to EOG. Sending proposals in email to confirm. 5/18/22 Sent email to Susan to confirm the right legals were on conveyance. 5/24/22 emailed Susan to let her know the legal was not included in the assignment & an affidavit of correction is needed. 5/24/22 Susan emailed saying she will get a correction, file & return to us when available. (interest should go to EOG)
9414 8118 9876 5845 8606 39	Occidental Permian Limited Partnership	5 Greenway Plaza, Ste 110 Houston, TX 77046	Item delivered December 16, 2021 at 11:18am		5/17 & 5/19/22 conversations emails w/ Oxy & negotiating with Spur
9414 8118 9876 5845 8603 56	Oxy Y-1 Company	5 Greenway Plaza, Ste 110 Houston, TX 77046	Item delivered December 16, 2021 at 11:18am		5/17 & 5/19/22 conversations emails w/ Oxy & negotiating with Spur
9414 8118 9876 5845 8600 42	Read & Stevens, Inc.	P.O. Box 1518 Roswell, NM 88202	Item delivered on December 20, 2021 at 9:21am	5/17/22 Spoke w/ Lydia & received proposals. They had some questions so gave them Retts number to call	5/17 Spur spoke with Landman at Read & Stevens & they want to participate - asked for JOA 5.25.22 Received Read & Stevens' elections to participate and AFES
9414 8118 9876 5845 8682 22	Richard Martin Yates	428 Sandoval, Suite 200 Santa Fe, NM 87501	Item delivered December 20, 2021	5/17/22 (number in lexisnexis not working)	5/24/22 tried to call another number per a family member and LM; 5/24/22 LM for manager of Richard Yates' interest. 5.25.22 Yates said he would convey interest to EOG.
9414 8118 9876 5845 8687 65	Sharbro Energy LLC	P.O. Box 79840 Houston, Texas 88211	Item delivered December 20, 2021 at 10:30am		Elected not to participate 1.11.22
9414 8118 9876 5845 8689 32	St. Clair Peyton Yates, Jr.	P.O. Box 1020 Artesia, NM 88211	Item delivered December 27, 2021 at 10:42am		2/2/22 Made offer to purchase & they did not respond
9414 8118 9876 5845 8686 97	Tulipan LLC	428 Sandoval, Suite 200 Santa Fe, NM 87501	Item delivered December 20, 2021 at 3:47pm	5/17/22 LM w/ land department to call Spur	5/24/22 LM for Victoria Carillo; 5/24/22 Victoria gave me # for Madeline who is the manager for Richard Yates & LM 5.25.22 Yates said Tulipan would convey interest to EOG.
9414 8118 9876 5845 8680 93	WPX Energy Permian, LLC	333 West Sheridan Ave Oklahoma City, OK 73102	Item delivered December 17, 2021 at 8:26am		Spur BD Team is working w/ WPX; 5/19/22 discussions in April 21' for trade/TA & proposed again 5.13.22.
9414 8118 9876 5845 8617 80	Yates Energy Corporation	P.O. Box 2323 Roswell, NM 88201	Item delivered December 20, 2021 at 10:23am	5/19/22 LM w/ Landmand & waiting on call back	5/19/22 Spur spoke w/ VP at Yates Energy and they would like to see JOA & will probably participate
9414 8118 9876 5845 8672 32	ZPZ Delaware I LLC	Wrong Address P.O. Box 2323 Roswell, NM 88201	Item delivered December 16, 2021 at 5:08am	Resent with tracking number 9414 8118 9876 5845 3473 21 - Item delivered on December 18, 2021 at 4:11pm	Multiple phone calls and emails Agreed to withdraw protest 5.25.22. Will go under Pooling Order
9414 8118 9876 5845 8677 20	Floyd Thomas Bradshaw	P.O. Box 39 Colleyville, TX 76034	Item delivered on December 20, 2021 at 3:14pm		5/17/22 Interest transferred to Bradco
9414 8118 9876 5845 8676 52	Bradco Partnership LLC	P.O. Box 39 Colleyville, TX 76034	Item delivered December 20, 2021 at 3:14pm		Floyd Bradshaw is owner, multiple calls & emails w/ him on 1/11/22, 3/16/22, 3/18/22, 5/17/22 Not sure what he wants to do.
9414 8118 9876 5845 8671 02	LuDora Bradshaw, dec'd	P.O. Box 5 Lindsay, TX 76250	Item delivered on December 16, 2021 at 9:43am	5/24/22 tried to call but no answer	5/19/22 No estate information or obit found on line. Informed by other relative Jim Myrick inherited everything - lexisnexis only has one number & google says his company is out of business; 5/26/22 found possible heir in lexisnexis and LM, 5/26/22 heir's relative called back and said he would have Jim call.
9414 8118 9876 5845 8662 35	Christopher Bradshaw	316 S. Court St. Circleville, OH 43113	Item delivered December 18, 2021 at 10:06am	5/18/22 LM to call Spur Energy back (Joe Bradshaw's son)	5/18/22 LM to call Spur back (Joe Bradshaw's son); 5/19/22 wrong #, calling lexisnexis number which is no good; 5/26/22 LM w/ Joe(father) asking for a good number
9414 8118 9876 5845 8667 54	Joe Bradshaw	334 E. Main St. Circleville, OH 43113	Item delivered December 18, 2021 at 12:44pm		Would like to assign interest 1.18.22; made multiple calls & emails 3/7/22, 2/8/22; 5/26/22 LM to call Spur back
9414 8118 9876 5845 8666 48	Gary Leach, dec'd	Attn: Martha Jane Leach / Paul Acosta 1817 17th St Wichita Falls, TX 76301	Item delivered January 5, 2022 at 10:43am	5/18/22 Called Martha but no answer & no numbers listed for Paul	5/19/22 tried to call Martha again but no answer; 5/24/22 called but no answer; 5/26/22 called several numbers to possible relatives & heirs in lexisnexis-numbers not working
9414 8118 9876 5845 8663 41	Jim Leach, dec'd	5495 North Wind Court Ventura, CA 93003	December 27, 2021 at 11:34am Insufficient address	5/18/22 - Shirley Leach possible relative-called and LM	5/19/22 called & wrong #; 5/19/22 Called possible relative & LM; 5/24/22 LM for possible heir; 5/26/22 called heir from possible obituary - not related, tried to call Amy Brinkman and LM
9414 8118 9876 5845 8660 13 FEDEX - 7769 1476 5012	Coby Miller	4004 Edgebrook Dr. Midland, TX 79707	12/20/2021 in transit	5/20/2022 Sent FEDEX - 7769 1476 5012 5/23/2022 delivered	5/18/22 Called but no answer; 5/19/22 tried to call again but no answer; 5/24/22 called but no answer - recd proposal in mail on 5/23/22; No other number listed in lexisnexis
9414 8118 9876 5845 8660 99	Craig Miller	1525 Clay Avenue Quakertown, PA 18951	Item delivered December 18, 2021 at 10:14am	5/17/22 Called & LM for Spur	5/17/22 Called & LM to call Spur back; 5/19/22 LM for Craig; 5/24/22 LM for Craig; 5/26/2022 LM for Craig & tried an email in lexisnexis
9414 8118 9876 5845 8612 09	Carmen Drew	925 Main St., Apt. #3131 Grapevine, TX 76501	12/21/2021 in transit		5/17/22 Interest transferred to Bradco
9414 8118 9876 5845 8618 03	Lilly Cross	412 Jon Street Guthrie, OK 73044	Item delivered December 29, 2021 at 12:02pm		5/17/22 Interest transferred to Bradco
NOTICES OF OVERLAPPING SPACING UNITS					
USPS TRACKING	PARTY	DELIVERY ADDRESS	DELIVERY STATUS	2nd Attempt	Additional Attempts/Comments
9414 8118 9876 5845 5226 50	Contango Resources, Inc.	Attn: Jason Thomas 717 Texas St Ste 2900 Houston, TX 77002	Delivered on 12/20/2022 @1:47pm		Agreed to withdraw protest. Will go under Pooling Order
9414 8118 9876 5845 5225 20	ZPZ Delaware I LLC	Attn: Leslie Mullin 2000 Post Oak Blvd Ste 100 Houston, TX 77056	Delivered on 12/21/2021 @ 12:58pm		Agreed to withdraw protest 5.25.22. Will go under Pooling Order

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

APPLICATIONS OF SPUR ENERGY
PARTNERS, LLC FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW
MEXICO.

CASE NOS. 22597 & 22598

AFFIDAVIT OF MATTHEW VAN WIE

Matthew Van Wie, of lawful age and being first duly sworn, declares as follows:

1. My name is Matthew Van Wie. I work for Spur Energy Partners LLC (“Spur”) and am the Vice President of Geosciences for the company.

2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. I graduated from the University of Texas at Austin with a B.S in Geological Sciences in 2000. Since 2019, I have worked with Spur as Vice President – Geology. Prior to joining Spur, I served as Director - Geology for WildHorse Resource Development (“WRD”) where I led the Eagleford development and exploration efforts of WRD until it was acquired by Chesapeake Energy Corporation in 2019. Prior to WRD, I joined WildHorse Resources II as a Geology Manager and was actively involved in the horizontal development and growth of Terryville Field in North Louisiana which went public through Memorial Resource Development. I started my career at Anadarko Petroleum Corporation (“APC”) developing and expanding onshore opportunities in the US Lower 48. In 2005, I transferred to the Gulf of Mexico region working as a Geologist in several key deep-water development projects. I returned onshore in 2010 as lead geoscientist in APC’s Appalachian Basin team overseeing horizontal well development in the Marcellus shale. Then, in 2012 I was

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

transferred to the East Texas Carthage asset, where I managed the development of both Haynesville Shale and Lower Cotton Valley sandstone reservoirs as Development Team Lead. I am a member of AAPG (American Association of Petroleum Geologists) and HGS (Houston Geological Society). **Spur Exhibit D-1** is a copy of my resume reflecting my education and experience in petroleum geology matters. I seek to have my credentials accepted by the Division as an expert in petroleum geology.

3. I am familiar with the applications filed by Spur in these cases, and I have conducted a geologic study of the lands in the subject area.

4. In these cases, Spur is targeting the Yeso formation.

5. **Spur Exhibit D-2** is a locator base map that shows Spur's acreage in yellow and the path of the proposed wellbores as solid black lines. The proposed spacing unit in each case is outlined in a red dashed line. Nearby wells producing in the target formation are also identified. Also marked on the map are the location of four wells from A to A' that I used to create a structural cross section presented in a later exhibit. I chose the logs from these wells to create the cross section because they penetrate the targeted interval, are of good quality, and are representative of the geology in the subject area.

6. **Spur Exhibit D-3** is a subsea structure map on the top of the Glorieta just above the top of the Yeso formation that I prepared with a contour interval of 25 feet. The structure map shows the Yeso formation gently dipping to the southeast. The formation appears consistent across the proposed spacing units. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling within the proposed spacing units. This map also shows a line bisecting the proposed spacing unit from B to B' which is depicted in a gun barrel diagram in a later exhibit.

7. **Spur Exhibit D-4** contains the structural cross-section that I prepared displaying open-hole logs run over the target formation from the representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs where available: gamma ray, resistivity, and porosity. The targeted zone for each well is labeled and marked on the cross-section. The logs in the cross-section demonstrate that the targeted zones are continuous and consistent in thickness across the proposed spacing units. The cross-section also depicts the location of the ownership depth severances in this acreage.

8. **Spur Exhibit D-5** is a Gun Barrel Diagram reflecting Spur's intended development of the Yeso formation in this acreage and identifies each initial proposed well relative to the different intervals within the Yeso formation and the ownership depth severances.

9. In my opinion, the acreage comprising the proposed horizontal spacing unit will be productive and contribute more-or-less equally to production from the wellbores.

10. The proposed orientation of the wells is the preferred orientation for horizontal well development in the Yeso formation in this area and will efficiently and effectively develop the subject acreage.

11. In my opinion, Spur's application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Spur Exhibits D-1** through **D-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

Matthew C. Van Wie

Spur Energy Partners LLC

713.204.3587

mvanwie@msn.com

SUMMARY

Petroleum geoscientist with strong geologic and geophysical background with 22 years of industry experience. Expertise in interpreting and integrating diverse data sets at the regional and field scales. Skills include stratigraphic correlation, seismic interpretation, and structural analysis. Experienced across all business stages, ranging from lead identification through field re-development, including lease permitting and commercial analysis.

EXPERIENCE**Spur Energy Partners LLC – Houston, Texas*****Vice President Geology – March 2019 to Present***

- Assisted in the formation, fundraising, and strategy development for Spur Energy Partners LLC, leading to over \$1billion of capital deployed in the Yeso trend in southeast New Mexico
- Leading high-performing team responsible for subsurface geology and engineering
- Building short and long term development plans consistent with corporate strategy while balancing risk factors

WildHorse Resource Development – Houston, Texas***Director Geology – December 2016 to February 2019***

- Lead geoscientist and science advisor for ETX Eagleford asset acquisition and field development.
- Built short and long term strategic business plans by balancing internal and external opportunities and risks
- Steered subsurface understanding enhancement through continuous geologic and engineering analysis, development program influence, data acquisition and pilot testing.
- Served as a key player in \$4B merger with Chesapeake Energy through both robust internal analysis and direct engagement with external advisors and Chesapeake business development

WildHorse Resources I & II – Houston, Texas***Manager Geology – March 2013 to December 2016***

- WildHorse II – Principal geoscientist for asset evaluation, exploration, growth and development. Lead geologist on data acquisition, QC, interpretation and evaluation leading to recommendation to purchase, lease, and license 30,000 mineral acres, 200+ sq. miles of 3D seismic, and 3000+ miles of 2D seismic.
- WildHorse I – Lead geoscientist supporting 8 rig development of Terryville field (North Louisiana). Assisted in organizing and presenting portfolio for WildHorse I asset monetization through Memorial Resource Development acquisition and subsequent IPO.

Anadarko Petroleum Corporation – The Woodlands, Texas***Geology Team Lead (Haynesville) – March 2012 – March 2013***

- Led Integrated subsurface team and provided geologic evaluation and support for the full field development of the Haynesville Shale asset (TX / LA).

Anadarko Petroleum Corporation – The Woodlands, Texas***Senior Geologist (Marcellus Shale) – April 2009 to March 2012***

- Lead Development Geologist for Appalachian Basin asset. Provide geological input into generation of appraisal and development plans for resource assessment and development optimization.
- Work closely with drilling, production and reservoir engineering teams and champion operational activities from planning to execution.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D1
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

Anadarko Petroleum Corporation – The Woodlands, Texas

Geologist (Deepwater GOM and International Operations) – July 2005 to April 2009

- Business unit lead responsible for planning operated asset resource appraisal programs, drill well permitting, and surveillance of well operations
- Mapped regional geologic framework utilizing stratigraphic models and fluid pressure analysis for resource assessment and reserve booking

Anadarko Petroleum Corporation – The Woodlands, Texas

Geologist (Onshore Lower 48) – August 2000 to July 2005

- Conducted regional exploration studies and evaluations of the petroleum system elements, and integrated available geological and geophysical data to create Gulf Coast US regional maps.
- Developed gross depositional environment maps, effectiveness maps, common risk segment maps of all petroleum system elements (source, reservoir, seal), and composite risk segment maps of different plays, to develop new play concepts and exploration opportunities.

EDUCATION

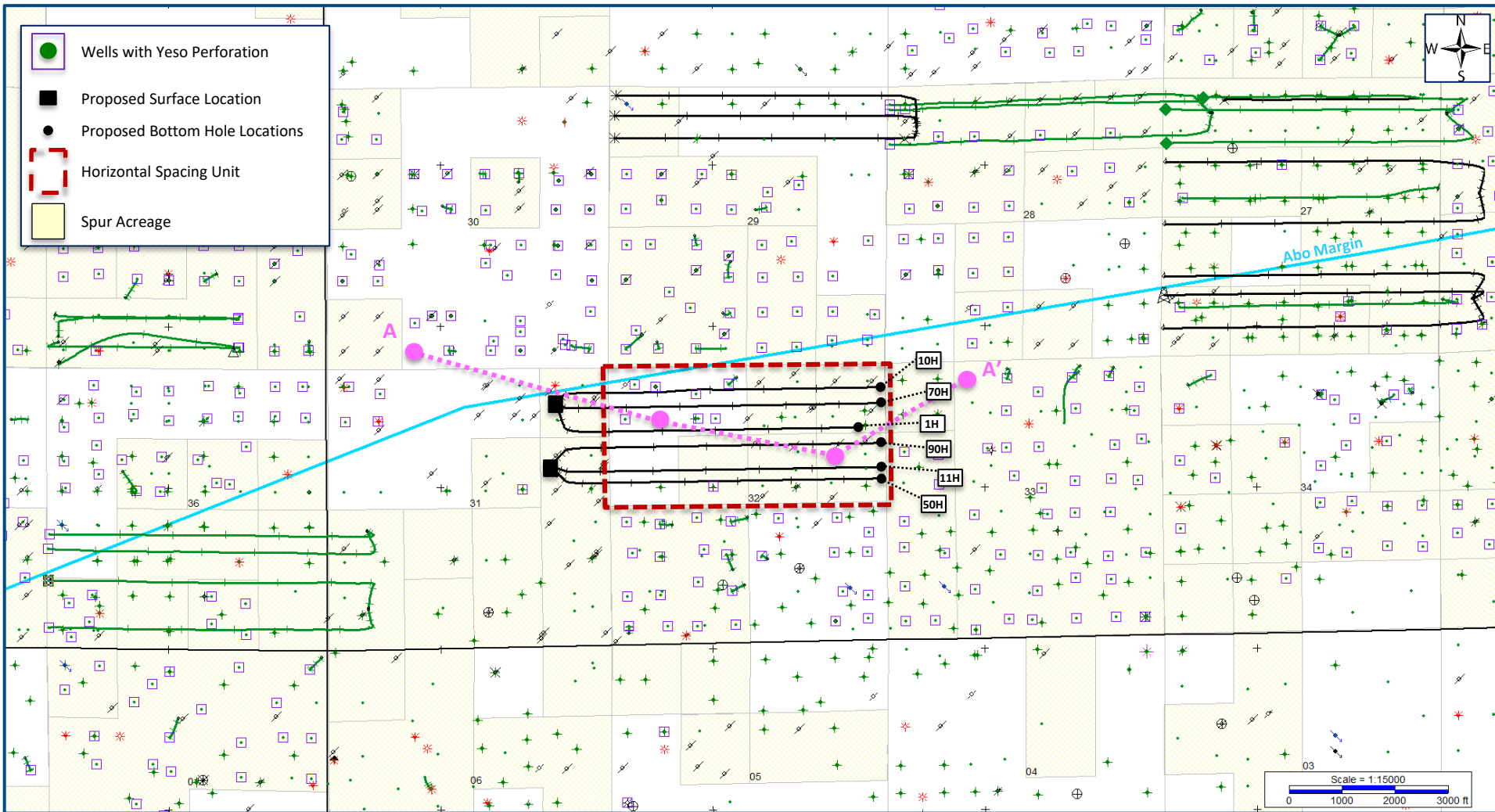
University of Texas at Austin

Bachelor of Science, Geological Sciences

Graduation: August 2000

Exhibit D-2. Bialock HSU Basemap

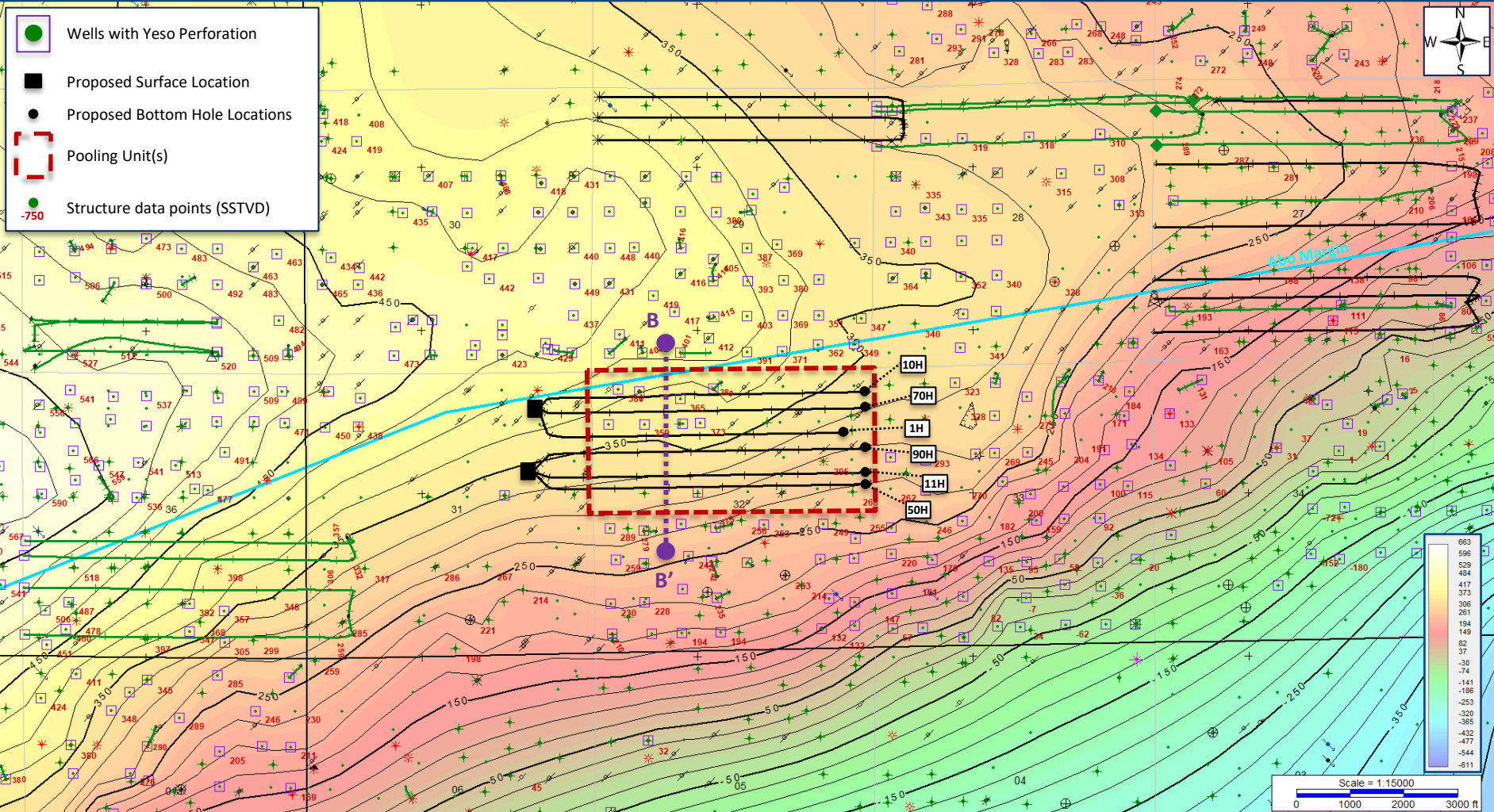
(Case No. 22597 & 22598)



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D2
 Submitted by: Spur Energy Partners, LLC
 Hearing Date: June 2, 2022
 Case Nos. 22597-22598



Exhibit D-3. Structure Map (SSTVD): Top Glorieta (Case No. 22597 & 22598)

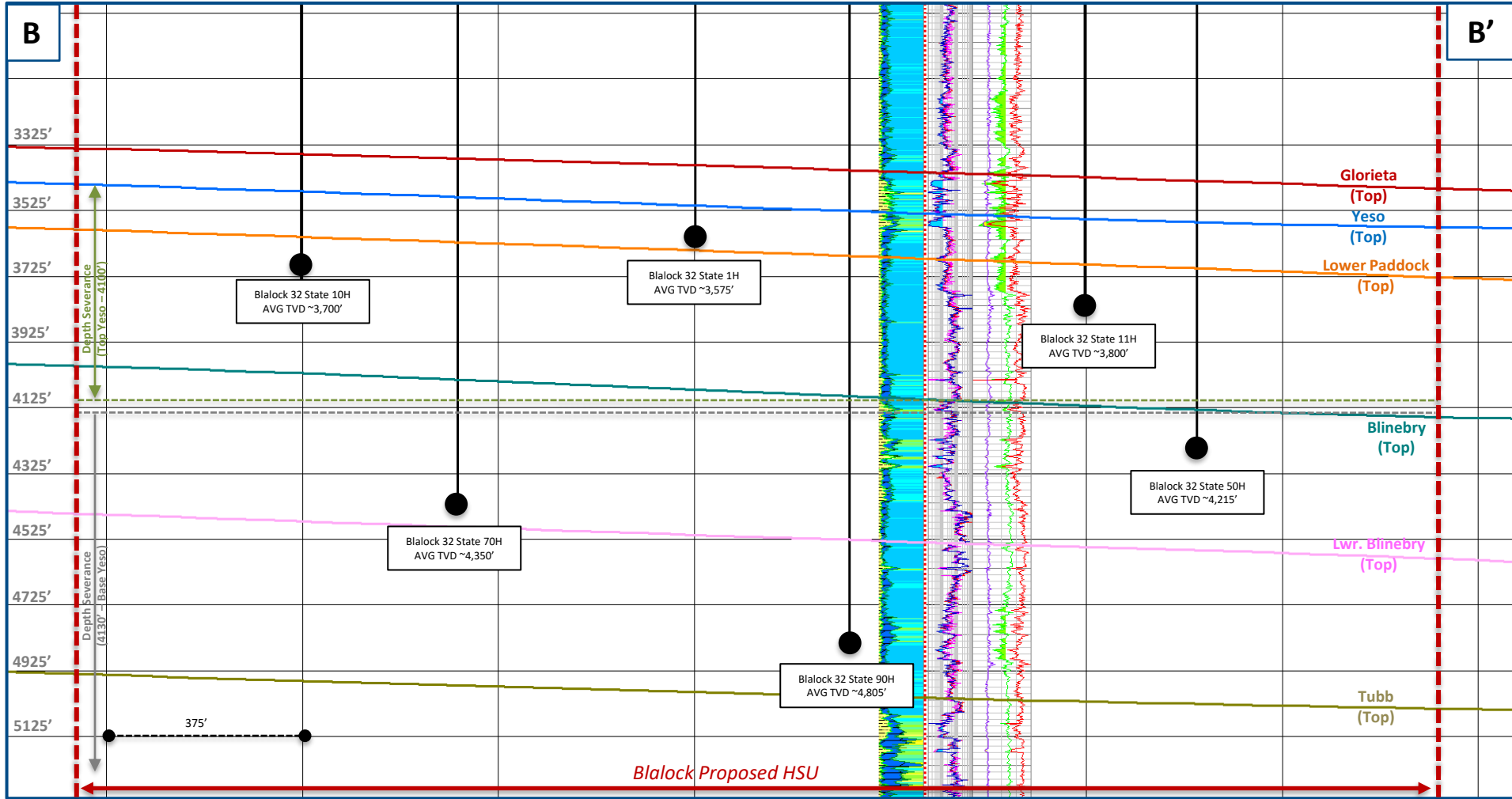


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D3
 Submitted by: Spur Energy Partners, LLC
 Hearing Date: June 2, 2022
 Case Nos. 22597-22598



Exhibit D-5. Blalock Gun Barrel B – B' (TVD)

(Case No. 22597 & 22598)



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D5
 Submitted by: Spur Energy Partners, LLC
 Hearing Date: June 2, 2022
 Case Nos. 22597-22598



SUBSCRIBED AND SWORN to before me this 26th day of May, 2022 by Adam G.

Rankin.



Notary Public

My Commission Expires:

Nov. 12, 2023

STATE OF NEW MEXICO
NOTARY PUBLIC
CARLA GARCIA
COMMISSION # 1127528
COMMISSION EXPIRES 11/12/2023



Adam G. Rankin
Phone (505) 988-4421
agrarkin@hollandhart.com

February 11, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND ALL WORKING INTEREST OWNERS AFFECTED BY THE PROPOSED OVERLAPPING SPACING UNIT

Re: Application of Spur Energy Partners, LLC for approval of an overlapping horizontal well spacing unit and compulsory pooling, Eddy County, New Mexico.
Blalock #1H, #10H, #11H 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 March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <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 Pre-hearing 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 Nash Bell at (512) 461-1874 or nash@spurepllc.com.

Sincerely,

Adam G. Rankin
**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	Washington, D.C.
Idaho	New Mexico	Wyoming



Adam G. Rankin
Phone (505) 988-4421
agrarkin@hollandhart.com

February 11, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND ALL WORKING INTEREST OWNERS AFFECTED BY THE PROPOSED OVERLAPPING SPACING UNIT

Re: Application of Spur Energy Partners, LLC for approval of an overlapping horizontal well spacing unit and compulsory pooling, Eddy County, New Mexico.
Blalock #50H, #70H, #90H 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 March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <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 Pre-hearing 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 Nash Bell at (512) 461-1874 or nash@spurepllc.com.

Sincerely,

Adam G. Rankin
**ATTORNEY FOR SPUR ENERGY PARTNERS,
LLC**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



Adam G. Rankin
Phone (505) 988-4421
agrarkin@hollandhart.com

February 11, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: VERTICAL OFFSETS IN POOL

Re: Application of Spur Energy Partners, LLC for approval of an overlapping horizontal well spacing unit and compulsory pooling, Eddy County, New Mexico: Blalock #50H, #70H, #90H 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 March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

Your interest is not being pooled by this application. You are receiving this notice because you own an interest in the Yeso formation that is not being included in the horizontal spacing unit. 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 Pre-hearing 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 Nash Bell at (512) 461-1874 or nash@spurepllc.com.

Sincerely,

Adam G. Rankin
**ATTORNEY FOR SPUR ENERGY PARTNERS,
LLC**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Spur - Blalock shallow
Case no. 22597 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765847846648	Chase Oil Corporation	PO Box 1767	Artesia	NM	88211-1767	Your item was picked up at the post office at 11:22 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846143	Richard Martin Yates	428 Sandoval St Ste 200	Santa Fe	NM	87501-7312	Your item was delivered to an individual at the address at 3:02 pm on February 17, 2022 in SANTA FE, NM 87501.
9414811898765847846181	Sharbro Energy LLC	PO Box 840	Artesia	NM	88211-0840	Your item was picked up at the post office at 10:30 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846136	St. Clair Peyton Yates, Jr.	PO Box 1020	Artesia	NM	88211-1020	Your item was picked up at the post office at 10:32 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846174	Tulipan LLC	428 Sandoval St Ste 200	Santa Fe	NM	87501-7312	Your item was delivered to an individual at the address at 4:02 pm on February 14, 2022 in SANTA FE, NM 87501.
9414811898765847846310	WPX Energy Permian, LLC	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was picked up at the post office at 8:58 am on February 14, 2022 in OKLAHOMA CITY, OK 73102.
9414811898765847846358	Yates Energy Corporation	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:15 am on February 16, 2022 in ROSWELL, NM 88201.
9414811898765847846365	ZPZ Delaware I LLC, C/O Apache Corporation	PO Box 840133	Dallas	TX	75284-0133	Your item has been delivered and is available at a PO Box at 6:01 am on February 14, 2022 in DALLAS, TX 75266.
9414811898765847846327	Floyd Thomas Bradshaw	PO Box 39	Colleyville	TX	76034-0039	Your item was delivered at 1:52 pm on February 15, 2022 in COLLEYVILLE, TX 76034.
9414811898765847846303	Bradco Partnership L.L.C.	PO Box 39	Colleyville	TX	76034-0039	Your item was delivered at 1:52 pm on February 15, 2022 in COLLEYVILLE, TX 76034.
9414811898765847846396	LuDora Bradshaw, decd	PO Box 5	Lindsay	TX	76250-0005	Your item was picked up at the post office at 1:34 pm on February 17, 2022 in LINDSAY, TX 76250.
9414811898765847846686	Contango Resources, Inc.	717 Texas St Ste 2900	Houston	TX	77002-2836	Your item was delivered to an individual at the address at 12:01 pm on February 16, 2022 in HOUSTON, TX 77002.
9414811898765847846341	Christopher Bradshaw	316 S Court St	Circleville	OH	43113-1604	Your item was delivered to an individual at the address at 9:25 am on February 16, 2022 in CIRCLEVILLE, OH 43113.
9414811898765847846389	Joe Bradshaw	334 E Main St	Circleville	OH	43113-1842	Your item was picked up at the post office at 11:36 am on February 17, 2022 in CIRCLEVILLE, OH 43113.
9414811898765847846334	Gary Leach, decd, Attn Martha Jane Leach/Paul Acosta	1817 17th St.	Wichita Falls	TX	76301	Your item was delivered to an individual at the address at 10:29 am on February 17, 2022 in WICHITA FALLS, TX 76301.
9414811898765847846372	Jim Leach, decd	5495 Northwind Ct	Ventura	CA	93003-0468	Your item was returned to the sender at 9:50 am on February 24, 2022 in SANTA FE, NM 87501 because the forwarding order for this address is no longer valid.
9414811898765847846013	Coby Miller	4004 Edgebrook Dr	Midland	TX	79707-1435	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765847846051	Craig Miller	1525 Clay Ave	Quakertown	PA	18951-1840	Your item was delivered to an individual at the address at 3:20 pm on February 16, 2022 in QUAKERTOWN, PA 18951.
9414811898765847846068	Carmen Drew	925 S Main St Unit 3131	Grapevine	TX	76051-7554	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765847846020	Lilly Cross	412 Jon St	Guthrie	OK	73044-1823	Your item was picked up at the post office at 1:42 pm on February 22, 2022 in GUTHRIE, OK 73044.
9414811898765847846006	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Your item was picked up at a postal facility at 8:07 am on February 15, 2022 in MIDLAND, TX 79702.
9414811898765847846099	Nestegg Energy Corporation	2308 Sierra Vista Rd	Artesia	NM	88210-9409	Your item was delivered to an individual at the address at 11:54 am on February 15, 2022 in ARTESIA, NM 88210.

Spur - Blalock shallow
Case no. 22597 Postal Delivery Report

9414811898765847846631	Harvey E. Yates Company	PO Box 1933	Roswell	NM	88202-1933	Your item was picked up at the post office at 4:31 pm on February 15, 2022 in ROSWELL, NM 88201.
9414811898765847846044	Yates Brothers	PO Box 1394	Artesia	NM	88211-1394	Your item was picked up at the post office at 12:21 pm on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846082	Yates Energy Royalty Interests, LLC	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:15 am on February 16, 2022 in ROSWELL, NM 88201.
9414811898765847846679	Jalapeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was picked up at the post office at 11:31 am on February 14, 2022 in ALBUQUERQUE, NM 87102.
9414811898765847846112	Marigold, LLP ATTN Susan Hansen	PO Box 65817	Albuquerque	NM	87193-5817	Your item has been delivered and is available at a PO Box at 7:41 pm on February 18, 2022 in ALBUQUERQUE, NM 87114.
9414811898765847846150	Mary Yates Davis ATTN Susan Hansen	PO Box 65817	Albuquerque	NM	87193-5817	Your item was returned to the sender on March 11, 2022 at 11:40 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765847846167	Occidental Permian Limited Partnership	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on February 17, 2022 at 11:09 am.
9414811898765847846129	Oxy Y-1 Company	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on February 17, 2022 at 11:09 am.
9414811898765847846198	Read & Stevens, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item was picked up at the post office at 9:21 am on February 15, 2022 in ROSWELL, NM 88201.

Spur - Blalock deep Case no. 22598
 Postsal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765847846037	Chase Oil Corporation	PO Box 1767	Artesia	NM	88211-1767	Your item was picked up at the post office at 11:22 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846518	Richard Martin Yates	428 Sandoval St Ste 200	Santa Fe	NM	87501-7312	Your item was delivered to an individual at the address at 3:02 pm on February 17, 2022 in SANTA FE, NM 87501.
9414811898765847846525	Sharbro Energy LLC	PO Box 840	Artesia	NM	88211-0840	Your item was picked up at the post office at 10:30 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847846594	Tulipan LLC	428 Sandoval St Ste 200	Santa Fe	NM	87501-7312	Your item was delivered to an individual at the address at 4:02 pm on February 14, 2022 in SANTA FE, NM 87501.
9414811898765847846532	WPX Energy Permian, LLC	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was picked up at the post office at 8:58 am on February 14, 2022 in OKLAHOMA CITY, OK 73102.
9414811898765847841216	St. Clair Peyton Yates, Jr.	PO Box 1020	Artesia	NM	88211-1020	Your item was picked up at the post office at 10:32 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847841261	Yates Energy Corporation	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:15 am on February 16, 2022 in ROSWELL, NM 88201.
9414811898765847841209	ZPZ Delaware I LLC C/O APACHE CORPORATION	PO Box 840133	Dallas	TX	75284-0133	Your item has been delivered and is available at a PO Box at 6:01 am on February 14, 2022 in DALLAS, TX 75266.
9414811898765847841247	FLOYD THOMAS BRADSHAW	PO Box 39	Colleyville	TX	76034-0039	Your item was picked up at the post office at 3:44 pm on February 22, 2022 in COLLEYVILLE, TX 76034.
9414811898765847841230	Bradco Partnership L.L.C.	PO Box 39	Colleyville	TX	76034-0039	Your item was picked up at the post office at 3:44 pm on February 22, 2022 in COLLEYVILLE, TX 76034.
9414811898765847841810	LuDora Bradshaw, decd	PO Box 5	Lindsay	TX	76250-0005	Your item was picked up at the post office at 1:34 pm on February 17, 2022 in LINDSAY, TX 76250.
9414811898765847846419	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Your item was picked up at a postal facility at 8:07 am on February 15, 2022 in MIDLAND, TX 79702.
9414811898765847841865	Christopher Bradshaw	316 S Court St	Circleville	OH	43113-1604	Your item was delivered to an individual at the address at 9:25 am on February 16, 2022 in CIRCLEVILLE, OH 43113.
9414811898765847841803	Joe Bradshaw	334 E Main St	Circleville	OH	43113-1842	Your item was picked up at the post office at 11:36 am on February 17, 2022 in CIRCLEVILLE, OH 43113.
9414811898765847841841	Gary Leach, decd,, Attn Martha Jane Leach/Paul Acosta	1817 17th St.	Wichita Falls	TX	76301	Your item was delivered to an individual at the address at 11:30 am on February 22, 2022 in WICHITA FALLS, TX 76301.
9414811898765847841834	Jim Leach, decd	5495 Northwind Ct	Ventura	CA	93003-0468	Your item was returned to the sender at 9:50 am on February 24, 2022 in SANTA FE, NM 87501 because the forwarding order for this address is no longer valid.
9414811898765847841759	Coby Miller	4004 Edgebrook Dr	Midland	TX	79707-1435	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765847841728	Craig Miller	1525 Clay Ave	Quakertown	PA	18951-1840	Your item was delivered to an individual at the address at 3:20 pm on February 16, 2022 in QUAKERTOWN, PA 18951.
9414811898765847841704	Carmen Drew	925 S Main St Unit 3131	Grapevine	TX	76051-7554	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765847841742	Lilly Cross	412 Jon St	Guthrie	OK	73044-1823	Your item was picked up at the post office at 1:42 pm on February 22, 2022 in GUTHRIE, OK 73044.
9414811898765847841735	Nestegg Energy Corporation	2308 Sierra Vista Rd	Artesia	NM	88210-9409	Your item was delivered to an individual at the address at 11:54 am on February 15, 2022 in ARTESIA, NM 88210.
9414811898765847841919	Yates Brothers	PO Box 1394	Artesia	NM	88211-1394	Your item was picked up at the post office at 12:21 pm on February 15, 2022 in ARTESIA, NM 88210.

Spur - Blalock deep Case no. 22598
 Postsal Delivery Report

9414811898765847846457	Harvey E. Yates Company	PO Box 1933	Roswell	NM	88202-1933	Your item was picked up at the post office at 4:31 pm on February 15, 2022 in ROSWELL, NM 88201.
9414811898765847841964	Yates Energy Royalty Interests, LLC	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:15 am on February 16, 2022 in ROSWELL, NM 88201.
9414811898765847846464	Jalapeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was picked up at the post office at 2:33 pm on February 22, 2022 in ALBUQUERQUE, NM 87102.
9414811898765847846426	Marigold, LLP ATTN Susan Hansen	PO Box 65817	Albuquerque	NM	87193-5817	Your item was returned to the sender on March 11, 2022 at 11:40 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765847846402	Mary Yates Davis, ATTN Susan Hansen	PO Box 65817	Albuquerque	NM	87193-5817	Your item was returned to the sender on March 11, 2022 at 11:40 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765847846495	Occidental Permian Limited Partnership	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on February 15, 2022 at 12:28 pm.
9414811898765847846440	Oxy Y-1 Company	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on February 17, 2022 at 11:09 am.
9414811898765847846488	Read & Stevens, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item was picked up at the post office at 9:21 am on February 15, 2022 in ROSWELL, NM 88201.

Spur - Blalock deep Case no. 22598
Vertical Offset Postsal Delivery Report

9414811898765847841902 Contango Resources, Inc.

717 Texas St Ste 2900 Houston TX 77002-2836

Your item was delivered to an individual at the address at 12:01 pm on February 16, 2022 in HOUSTON, TX 77002.

Carlsbad Current Argus.

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Holland & Hart LLP.

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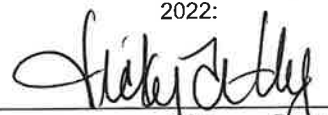
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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:

02/17/2022



Legal Clerk

Subscribed and sworn before me this February 17, 2022:



State of WI, County of Brown
NOTARY PUBLIC
9/19/25

My commission expires

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PO #: 5134244
of Affidavits 1

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VICKY FELTY
Notary Public
State of Wisconsin

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Spur Energy Partners, LLC
Hearing Date: June 2, 2022
Case Nos. 22597-22598

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 Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions 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. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/imaging/Default.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 Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than February 23, 2022.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7c9bec61fec1d22f972d6b3205fdea6d>

Event number: 2494 301 2943

Event password: GdVWwPnJc342

Join by video: 24943012943@nmemnrd.webex.com

Numeric Password: 322910

You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 2494 301 2943

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 Interest Owners Subject To Pooling Proceedings And All Working Interest Owners Affected By The Proposed Overlapping Spacing Unit, including: Chase Oil Corporation; Contango Resources, Inc.; EOG Resources, Inc.; Harvey E. Yates Company; Jalapeno Corporation; Marigold, LLP; Mary Yates Davis, her heirs and devisees; Occidental Permian Limited Partnership; Oxy Y-1 Company; Read & Stevens, Inc.; Richard Martin Yates, his heirs and devisees; Sharbro Energy LLC; St. Clair Peyton Yates, Jr., his heirs and devisees; Tulipan LLC; WPX Energy Permian, LLC; Yates Energy Corporation; ZPZ Delaware I LLC, C/O Apache Corporation; Floyd Thomas Bradshaw, his heirs and devisees; Bradco Partnership L.L.C.; LuDora Bradshaw, dec'd, her heirs and devisees; Christopher Bradshaw, his heirs and devisees; Joe Bradshaw, his heirs and devisees; Gary Leach, dec'd, his heirs and devisees; Jim Leach, dec'd, his heirs and devisees; Coby Miller, his heirs and devisees; Craig Miller, his heirs and devisees; Carmen Drew, her heirs and devisees; Lilly Cross, her heirs and devisees; The Jim and Rose Miller Trust UA dated January 10, 1978; Republic Bank Dallas, N.A., Trustee; Nestegg Energy Corporation; Yates Brothers; and Yates Energy Royalty Interests, LLC.

Case No. 22597: Application of Spur Energy Partners, LLC for approval of an overlapping horizontal well spacing unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation, from the top of the Yeso formation to a depth of 4,100 feet comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit. Applicant proposes to dedicate the above-referenced spacing unit to the following wells:

- The Blalock #1H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32;
- The Blalock #10H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32;

31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32; and

- The Blalock #11H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

The completed interval of the Blalock #11H well will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit. This 320-acre horizontal well spacing unit will overlap three existing 40-acre vertical well spacing units in the Yeso formation, as follows:

- A 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #012 (API# 30-015-35050), Enron State #018 (API# 30-015-40339), Enron State #021 (API# 30-015-42156), and the Enron State #002 (API# 30-015-31920).

- A 40-acre vertical well spacing unit comprised of the NE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #019 (API# 30-015-41833), Enron State #014 (API# 30-015-36979), Enron State #001 (API# 30-015-31530), and the Enron State #017 (API# 30-015-39996).

- A 40-acre vertical well spacing unit comprised of the SE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the AA State #001 (API# 30-015-01657).

Also, to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, actual operating costs, charges for supervision, designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 13 miles south of Artesia, New Mexico. #5134244, Current Argus, Feb. 17, 2022

Carlsbad Current Argus.

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Holland & Hart LLP.

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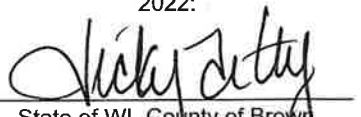
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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:

02/17/2022



Legal Clerk

Subscribed and sworn before me this February 17, 2022:



State of WI, County of Brown
NOTARY PUBLIC
9-19-25

My commission expires

VICKY FELTY
Notary Public
State of Wisconsin

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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 Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions 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. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.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 Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than February 23, 2022.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7c9bec61fec1d22f972d6b3205fdea6d>
Event number: 2494 301 2943
Event password: GdVVWpNJc342

Join by video: 24943012943@nmemnrd.webex.com
Numeric Password: 322910
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free
Access code: 2494 301 2943

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 Interest Owners Subject To Pooling Proceedings And All Working Interest Owners Affected By The Proposed Overlapping Spacing Unit, including: Chase Oil Corporation; EOG Resources, Inc.; Harvey E. Yates Company; Jalapeno Corporation; Marigold, LLP; Mary Yates Davis, her heirs and devisees; Occidental Permian Limited Partnership; Oxy Y-1 Company; Read & Stevens, Inc.; Richard Martin Yates, his heirs and devisees; Sharbro Energy LLC; St. Clair Peyton Yates, Jr., his heirs and devisees; Tulipan LLC; WPX Energy Permian, LLC; Yates Energy Corporation; ZPZ Delaware I LLC, C/O Apache Corporation; Floyd Thomas Bradshaw, his heirs and devisees; Bradco Partnership L.L.C.; LuDora Bradshaw, dec'd, her heirs and devisees; Christopher Bradshaw, his heirs and devisees; Joe Bradshaw, his heirs and devisees; Gary Leach, dec'd, his heirs and devisees; Jim Leach, dec'd, his heirs and devisees; Coby Miller, his heirs and devisees; Craig Miller, his heirs and devisees; Carmen Drew, her heirs and devisees; Lilly Cross, her heirs and devisees; The Jim and Rose Miller Trust UA dated January 10, 1978; Republic Bank Dallas, N.A., Trustee; Nestegg Energy Corporation; Yates Brothers; and Yates Energy Royalty Interests, LLC.

Case No. 22598: Application of Spur Energy Partners, LLC for approval of an overlapping horizontal well spacing unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (i) approving a 320-acre, more or less, overlapping horizontal well spacing unit in a portion of the Yeso formation, from a depth of 4,130 feet to the base of the Yeso formation comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and (ii) pooling all uncommitted interests in this overlapping horizontal well spacing unit. Applicant proposes to dedicate the above-referenced spacing unit to the following wells:

- The Blalock #50H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32;
- The Blalock #70H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 31, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 32;

31, to a bottom hole location in the NE/4 NE/4 (Unit H) of Section 32; and

• The Blalock #90H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 31, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 32.

The completed interval of the Blalock #90H well will remain within 330 feet of the quarter-quarter line separating the N/2 N/2 from the S/2 N/2 of Section 32 to allow inclusion of these proximity tracts into a standard horizontal spacing unit. This 320-acre horizontal well spacing unit will overlap three existing 40-acre vertical well spacing units in the Yeso formation, as follows:

• A 40-acre vertical well spacing unit comprised of the NW/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #012 (API# 30-015-35050), Enron State #018 (API# 30-015-40339), Enron State #021 (API# 30-015-42156), and the Enron State #002 (API# 30-015-31920).

• A 40-acre vertical well spacing unit comprised of the NE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the Enron State #019 (API# 30-015-41833), Enron State #014 (API# 30-015-36979), Enron State #001 (API# 30-015-31530), and the Enron State #017 (API# 30-015-39996).

• A 40-acre vertical well spacing unit comprised of the SE/4 NW/4 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, and dedicated to the AA State #001 (API# 30-015-01657).

Also, to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, actual operating costs, charges for supervision, designation of applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 13 miles south of Artesia, New Mexico.

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