



**Trudy Federal Com 10H-11H, 20H,  
30H, 50H-51H, 70H, 90H-91H wells  
Case No. 22760  
NMOCD Exhibits**

**Hearing Date: June 2, 2022**

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

**APPLICATION OF SPUR ENERGY  
PARTNERS LLC FOR TWO COMPULSORY  
POOLING ORDERS REPLACING AND  
REVOKING ORDER NO. R-21578, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 22760**


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**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 22760 (Shallow Unit)</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	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 TWO COMPULSORY POOLING ORDERS REPLACING AND REVOKING ORDER NO. R-21578, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	None
Well Family	Trudy Federal Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Yeso formation; from the top of the formation to 3,150 feet.
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso formation; from the top of the formation to 3,150 feet.
Pool Name and Pool Code:	N. Seven Rivers; Glorieta-Yeso Pool (Pool Code 97565)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	480 acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	40 acres
Orientation:	North to South
Description: TRS/County	SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	Yes; at 3, 150 feet.
Proximity Tracts: If yes, description	Yes; The completed interval of the Trudy Federal Com 20H 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	Trudy Federal Com 20H well
Applicant's Ownership in Each Tract	Exhibit C-2
<b>Well(s)</b>	
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 <b>BEFORE THE OIL CONSERVATION DIVISION</b> Santa Fe, New Mexico Exhibit No. A <b>Submitted by: Spur Energy Partners, LLC</b> Hearing Date: June 2, 2022 Case No. 22760	Trudy Federal Com 10H SHL: 2555' FNL, 685' FEL (Unit H), Sec. 6, T19S, R25E. BHL: 50' FSL, 705' FEL (Unit P), Sec. 7, T19S, R25E.  Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard

Well #2	<p>Trudy Federal Com 11H SHL: 2385' FNL, 1800' FEL (Unit G), Sec. 6, T19S, R25E. BHL: 50' FSL, 2205' FEL (Unit O), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Well #3	<p>Trudy Federal Com 20H SHL: 2365' FNL, 1800' FEL (Unit G), Sec. 6, T19S, R25E. BHL: 50' FSL, 1455' FEL (Unit O), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Well #4	<p>Trudy Federal Com 30H SHL: 2555' FNL, 665' FEL (Unit H), Sec. 6, T19S, R25E. BHL: 50' FSL, 331' FEL (Unit P), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Well #5	<p>Trudy Federal Com 50H SHL: 2555' FNL, 705' FEL (Unit H), Sec. 6, T19S, R25E. BHL: 50' FSL, 805' FEL (Unit P), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Well #6	<p>Trudy Federal Com 51H SHL: 2345' FNL, 1800' FEL (Unit G), Sec. 6, T19S, R25E. BHL: 50' FSL, 2305' FEL (Unit O), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Well #7	<p>Trudy Federal Com 70H SHL: 2405' FNL, 1800' FEL (Unit G), Sec. 6, T19S, R25E. BHL: 50' FSL, 1555' FEL (Unit O), Sec. 7, T19S, R25E.</p> <p>Completed Target: Yeso Formation Orientation: north to south Completion Status: Expected to be standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800


Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
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
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	Exhibit C-2
Ownership Depth Severance (including percentage above & below)	Exhibit C-2
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	Exhibit D, D-3
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-1
Cross Section (including Landing Zone)	Exhibit D-3
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Adam G. Rankin
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	2-Jun-22

# COMPULSORY POOLING APPLICATION CHECKLIST

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 22760 (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 TWO COMPULSORY POOLING ORDERS REPLACING AND REVOKING ORDER NO. R-21578, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	None
Well Family	Trudy Federal Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Yeso formation; from below 3,150 feet to the base of the Yeso formation.
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso formation; from below 3,150 feet to the base of the Yeso formation.
Pool Name and Pool Code:	N. Seven Rivers; Glorieta-Yeso Pool (Pool Code 97565)
Well Location Setback Rules:	Statewide oil
Spacing Unit Size:	480 acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	40 acres
Orientation:	North to South
Description: TRS/County	SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	Yes; at 3, 150 feet.
Proximity Tracts: If yes, description	Yes; The completed interval of the Trudy Federal Com 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	Trudy Federal Com 90H well
Applicant's Ownership in Each Tract	Exhibit C-2

<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	<b>Add wells as needed</b>
Well #1	<b>Trudy Federal Com 90H</b> <b>SHL: 2555' FNL, 725' FEL (Unit H), Sec. 6, T19S, R25E.</b> <b>BHL: 50' FSL, 1180' FEL (Unit P), Sec. 7, T19S, R25E.</b>  <b>Completed Target: Yeso Formation</b> <b>Orientation: north to south</b> <b>Completion Status: Expected to be standard</b>
Well #2	<b>Trudy Federal Com 91H</b> <b>SHL: 2425' FNL, 1800' FEL (Unit G), Sec. 6, T19S, R25E.</b> <b>BHL: 50' FSL, 1930' FEL (Unit O), Sec. 7, T19S, R25E.</b>  <b>Completed Target: Yeso Formation</b> <b>Orientation: north to south</b> <b>Completion Status: Expected to be standard</b>
Horizontal Well First and Last Take Points	<b>Exhibit C-1</b>
Completion Target (Formation, TVD and MD)	<b>Exhibit C-3</b>
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	<b>\$8,000</b>
Production Supervision/Month \$	<b>\$800</b>
Justification for Supervision Costs	<b>Exhibit C</b>
Requested Risk Charge	<b>200%</b>
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	<b>Exhibit B</b>
Proof of Mailed Notice of Hearing (20 days before hearing)	<b>Exhibit E</b>
Proof of Published Notice of Hearing (10 days before hearing)	<b>Exhibit F</b>
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	<b>Exhibit C-2</b>
Tract List (including lease numbers and owners)	<b>Exhibit C-2</b>
Pooled Parties (including ownership type)	<b>Exhibit C-2</b>
Unlocatable Parties to be Pooled	<b>Exhibit C-2</b>

Ownership Depth Severance (including percentage above & below)	Exhibit C-2
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	Exhibit D, D-3
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-1
Cross Section (including Landing Zone)	Exhibit D-3
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Adam G. Rankin
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	2-Jun-22



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

**APPLICATION OF SPUR ENERGY  
PARTNERS LLC FOR TWO COMPULSORY  
POOLING ORDERS REPLACING AND  
REVOKING ORDER NO. R-21578, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 22760**

**APPLICATION**

Spur Energy Partners, LLC (“Spur” or “Applicant”) (OGRID No. 338479) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for two compulsory pooling orders replacing and revoking Order No. R-21578, as amended, (the “Order”) and pooling (1) all uncommitted interests in a portion of the Yeso formation, from the top of the formation to 3,150 feet, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and (2) all uncommitted interests in a portion of the Yeso formation, from below 3,150 feet to the base of the Yeso formation, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. In support of its application, Spur states:

1. An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing units and has the right to drill thereon.
2. Division Order R-21578, entered on January 19, 2021, in Case No. 21588, created a 320-acre, more or less, standard horizontal well spacing unit consisting of the E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico (the “Unit”), and

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760**

designated Applicant as the operator of the Unit, pooled the uncommitted interests in the Yeso formation [Penasco Draw; SA-Yeso (Assoc) (50270)] in the Unit, and dedicated the Unit to the proposed initial wells identified in the Order.

3. The Division issued Order R-21578-A, amending the Order to extend the deadlines until January 19, 2023.

4. Since the entry of the Order, Applicant has determined that it is prudent to re-form the subject spacing unit into a 480-acre, more or less, standard spacing unit by including the SE/4 of Section 6. Inclusion of SE/4 of Section 6, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, introduces an ownership depth severance at 3,150 feet into the proposed spacing unit. The depth severance necessitates that Spur seek separate pooling orders for the shallow and deep intervals of the proposed unit.

5. Accordingly, Applicant seeks two orders that will revoke the existing Order and replacing it with two separate pooling orders creating two standard 480-acre, more or less, horizontal spacing units comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East. The first order will pool all uncommitted interests from the top of the Yeso formation to a depth of 3,150 feet within the proposed acreage (the "Shallow Unit"). The second order will pool all uncommitted interests from a depth below 3,150 feet to the base of the Yeso formation within the proposed acreage (the "Deep Unit").

6. Applicant proposes to dedicate the Shallow Unit to the following initial proposed wells:

- The **Trudy Federal Com 10H, 30H, and 50H Wells**, each of which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and

- The **Trudy Federal Com 11H, 20H, 51H, and 70H Wells**, each of which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section 6 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 7.
7. Applicant proposes to dedicate the Deep Unit to the following initial proposed wells:
- The **Trudy Federal Com 90H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and
  - The **Trudy Federal Com 91H Well**, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section 6 to bottom hole location in the SW/4 SE/4 (Unit O) of Section 7.
8. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the proposed spacing units.
9. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
10. 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 the proposed horizontal spacing units should be pooled, and Applicant should be designated the operator of the proposed horizontal spacing units and the proposed initial wells.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 5, 2022, and, after notice and hearing as required by law, the Division enter two separate orders:

- A. Pooling all uncommitted interests in the horizontal spacing units in the respective portions of Yeso formation and approving the initial wells thereon, as described herein;
- B. Designating Applicant as operator of the spacing units 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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Julia Broggi  
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**ATTORNEYS FOR SPUR ENERGY PARTNERS LLC**

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

**APPLICATION OF SPUR ENERGY  
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POOLING ORDERS REPLACING AND  
REVOKING ORDER NO. R-21578, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 22760**

**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. None of the mineral owners to be pooled have expressed opposition to this case proceeding by affidavit, so I do not expect any opposition at hearing.

4. In this case, Spur seeks two compulsory pooling orders replacing and revoking Order No. R-21578, as amended, (the “Order”) and pooling (1) all uncommitted interests in a portion of the Yeso formation, from the top of the formation to 3,150 feet, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and (2) all uncommitted interests in a portion of the Yeso formation, from below 3,150 feet to the base of the Yeso formation, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760

5. Division Order R-21578, entered on January 19, 2021, in Case No. 21588, created a 320-acre, more or less, standard horizontal well spacing unit consisting of the E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Spur as the operator of the Unit, pooled the uncommitted interests in the Yeso formation [Penasco Draw; SA-Yeso (Assoc) (50270)] within the Unit, and dedicated the Unit to the proposed initial wells identified in the Order.

6. The Division issued Order R-21578-A, amending the Order to extend the deadlines until January 19, 2023.

7. Since the entry of the Order, Spur has determined that it is prudent to re-form the subject spacing unit into a 480-acre, more or less, standard spacing unit by including the SE/4 of adjacent Section 6 to the north. Inclusion of SE/4 of Section 6, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, introduces an ownership depth severance at 3,150 feet into the proposed spacing unit. The depth severance necessitates that Spur seek separate pooling orders for the shallow and deep intervals of the proposed unit.

8. Accordingly, Spur seeks two orders that will revoke the existing Order and replace it with two separate pooling orders creating two standard 480-acre, more or less, horizontal spacing units comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East. The first order will pool all uncommitted interests from the top of the Yeso formation to a depth of 3,150 feet within the proposed acreage (the "Shallow Unit"). The second order will pool all uncommitted interests from a depth below 3,150 feet to the base of the Yeso formation within the proposed acreage (the "Deep Unit").

9. Applicant proposes to dedicate the Shallow Unit to the following initial proposed wells:

- The **Trudy Federal Com 10H, 30H, and 50H Wells**, each of which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and
- The **Trudy Federal Com 11H, 20H, 51H, and 70H Wells**, each of which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section 6 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 7.

10. The completed interval for the **Trudy Federal Com 20H 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.

11. Applicant proposes to dedicate the Deep Unit to the following initial proposed wells:

- The **Trudy Federal Com 90H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and
- The **Trudy Federal Com 91H Well**, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section 6 to bottom hole location in the SW/4 SE/4 (Unit O) of Section 7.

12. The completed interval for the **Trudy Federal Com 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.

13. **Spur Exhibit C-1** contains the draft Form C-102s for the proposed initial wells. The forms reflect that the wells will be located in the Penasco Draw; San Andres-Yeso Pool [Pool



Code 50270] and that the completed interval for each well complies with the statewide setback requirements for oil wells.

14. **Spur Exhibit C-2** contains a plat outlining the proposed units being pooled in each case and identifies the tracts of land comprising the proposed spacing units. The acreage covered by the existing pooling Order is shaded green. The acreage that Spur seeks to append, which introduces an ownership depth severance, is white. The second page of the exhibit identifies the acreage within each tract for the proposed Shallow Unit and the proportion each tract contributes to that proposed “drilling spacing unit” or DSU. The uncommitted interests that Spur seeks to pool are highlighted in yellow. The third page lists the overriding royalty and non-participating royalty interests that Spur seeks to pool in the Shallow Unit. The fourth page identifies the acreage within each tract for the proposed Deep Unit and the proportion each tract contributes to that proposed “drilling spacing unit” or DSU. The uncommitted interests that Spur seeks to pool are highlighted in yellow. The last page of the exhibit lists the overriding royalty and non-participating royalty interests that Spur seeks to pool in the Deep Unit.

15. **Exhibit C-3** is a sample of the well proposal letter and AFEs sent to all uncommitted owners with a working interest. 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.

16. 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-4.** 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.

17. 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.

18. 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-2. 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.

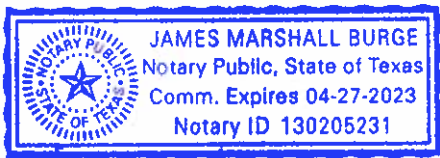
19. **Spur Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

*Ret Dalton*  
RETT DALTON

STATE OF TEXAS            )  
  )  
COUNTY OF HARRIS        )

SUBSCRIBED and SWORN to before me this 29<sup>th</sup> day of April 2022 by Rett Dalton.



*James Marshall Burge*  
NOTARY PUBLIC

My Commission Expires:  
4-27-2023

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 <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>10H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3620'</b>

10 Surface Location

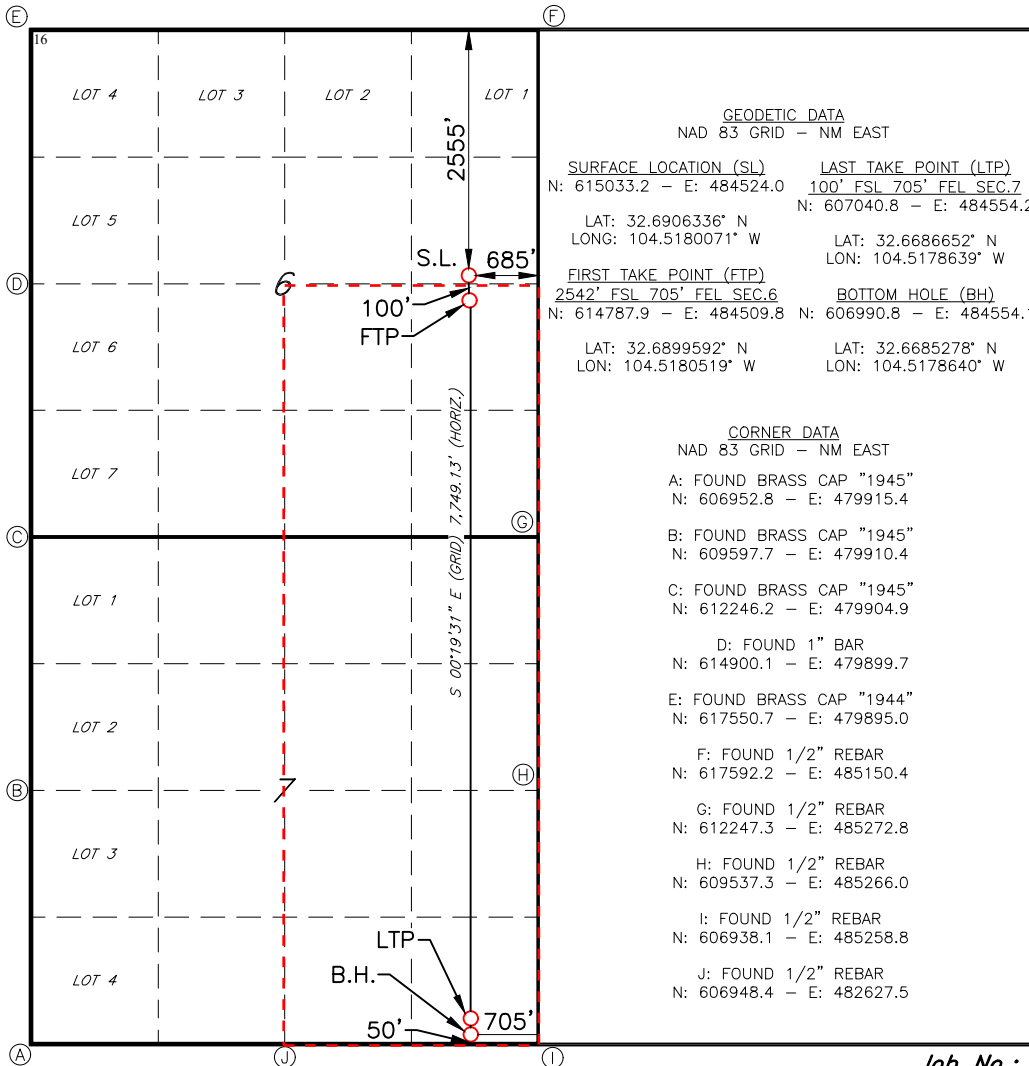
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2555</b>	<b>NORTH</b>	<b>685</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>705</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	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.



**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.  
 Signature: *Sarah Chapman* Date: 11/04/2021  
 Printed Name: SARAH CHAPMAN  
 E-mail Address: SCHAPMAN@SPURENERGY.COM

**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.  
 Date of Survey: 1-22-2021  
 Signature and Seal of Professional Surveyor: [Seal of Robert M. Howett, Professional Surveyor, New Mexico, 19680]  
 Certificate Number: 19680  
 REV: SL MOVE-7/16/21

Job No.: LS20120761R

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  
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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  
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>11H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3634'</b>

10 Surface Location

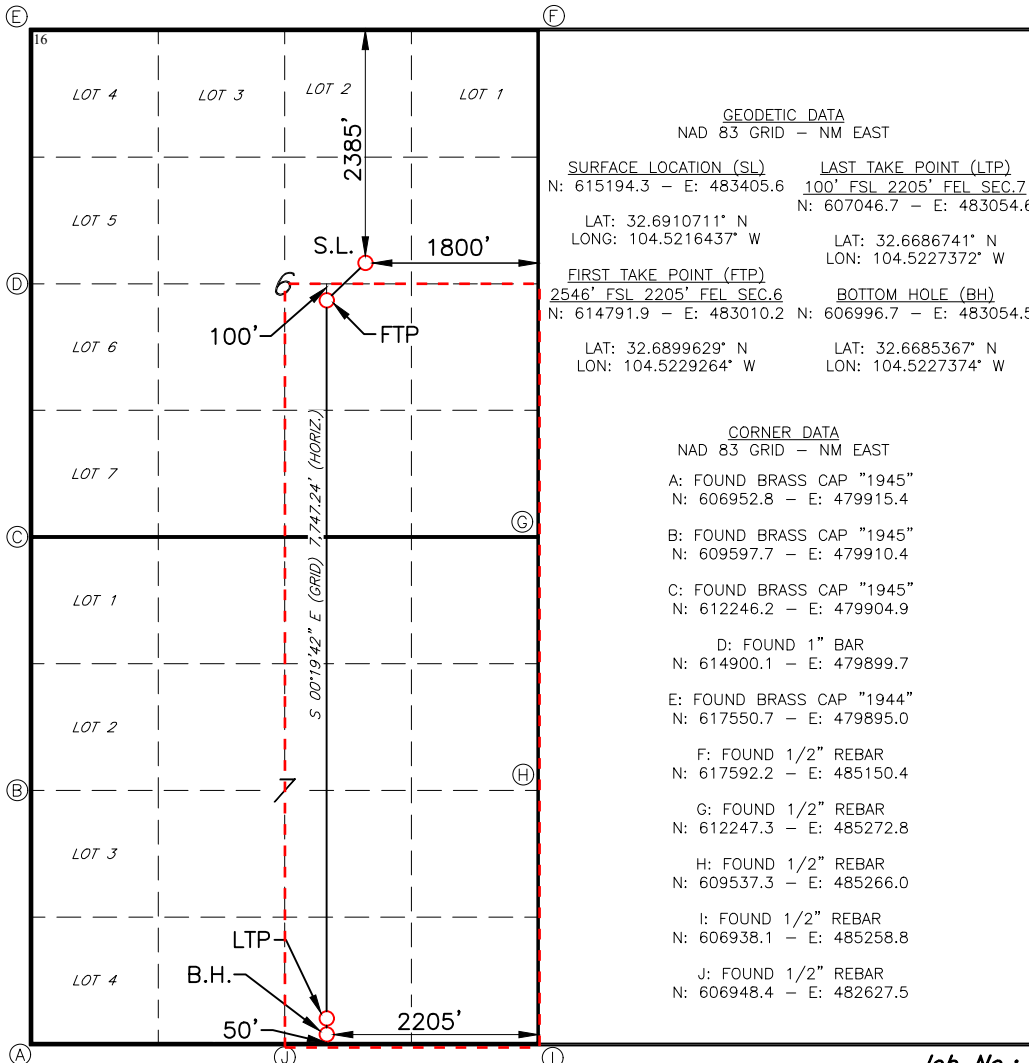
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>G</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2385</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>0</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>2205</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
----------------------------------	--------------------	-----------------------	--------------

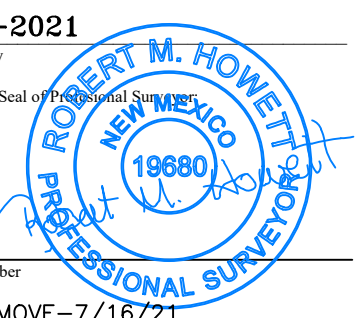
No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



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*Sarah Chapman* 11/04/2021  
Signature Date  
**SARAH CHAPMAN**

Printed Name  
**SCHAPMAN@SPURENERGY.COM**  
E-mail Address

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**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21



Job No.: LS20120766R

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  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>20H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3634'</b>

10 Surface Location

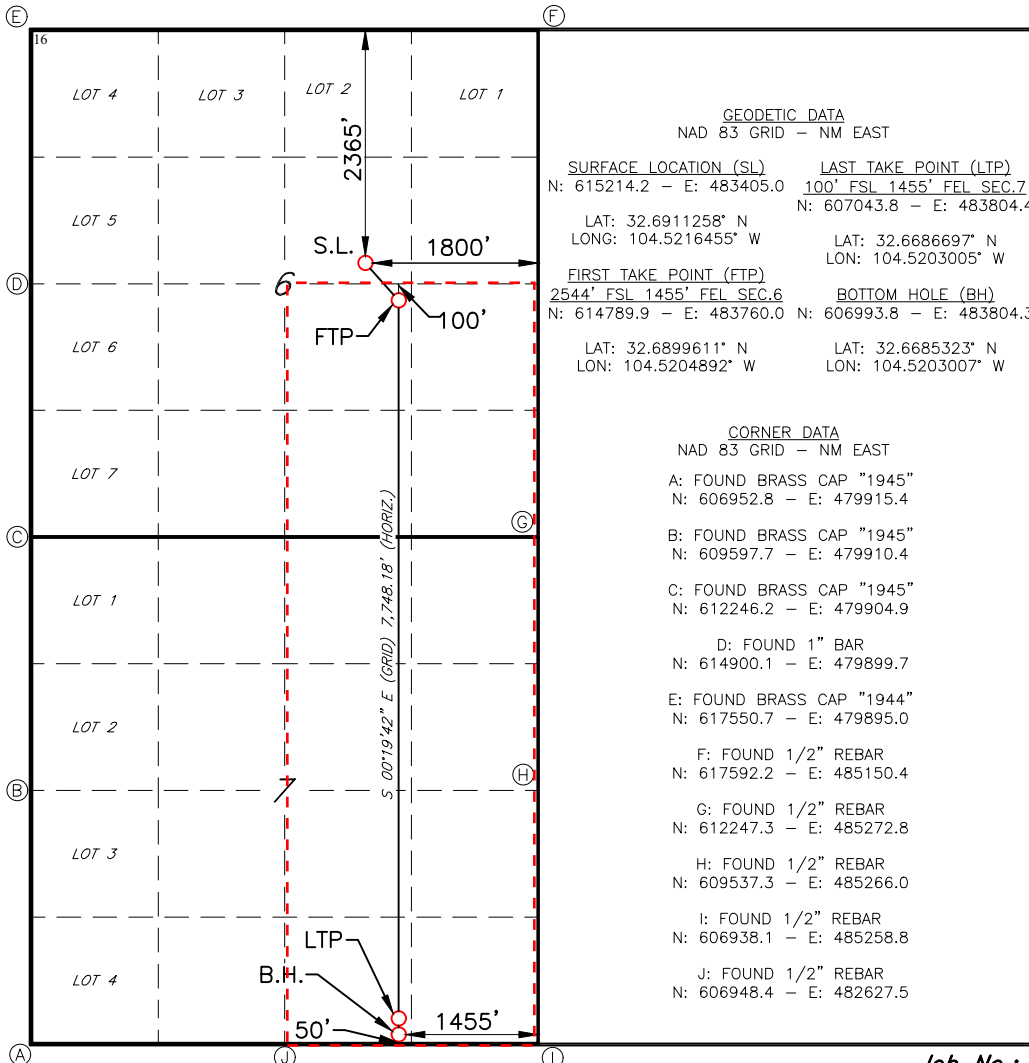
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>G</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2365</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>1455</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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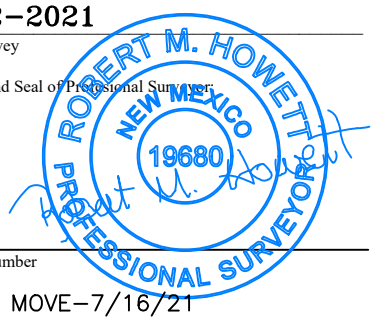


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*Sarah Chapman* 11/04/2021  
Signature Date  
**SARAH CHAPMAN**  
Printed Name  
**SCHAPMAN@SPURENERGY.COM**  
E-mail Address

**18 SURVEYOR CERTIFICATION**  
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**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21



Job No.: LS20120765R

District I  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>30H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3620'</b>

10 Surface Location

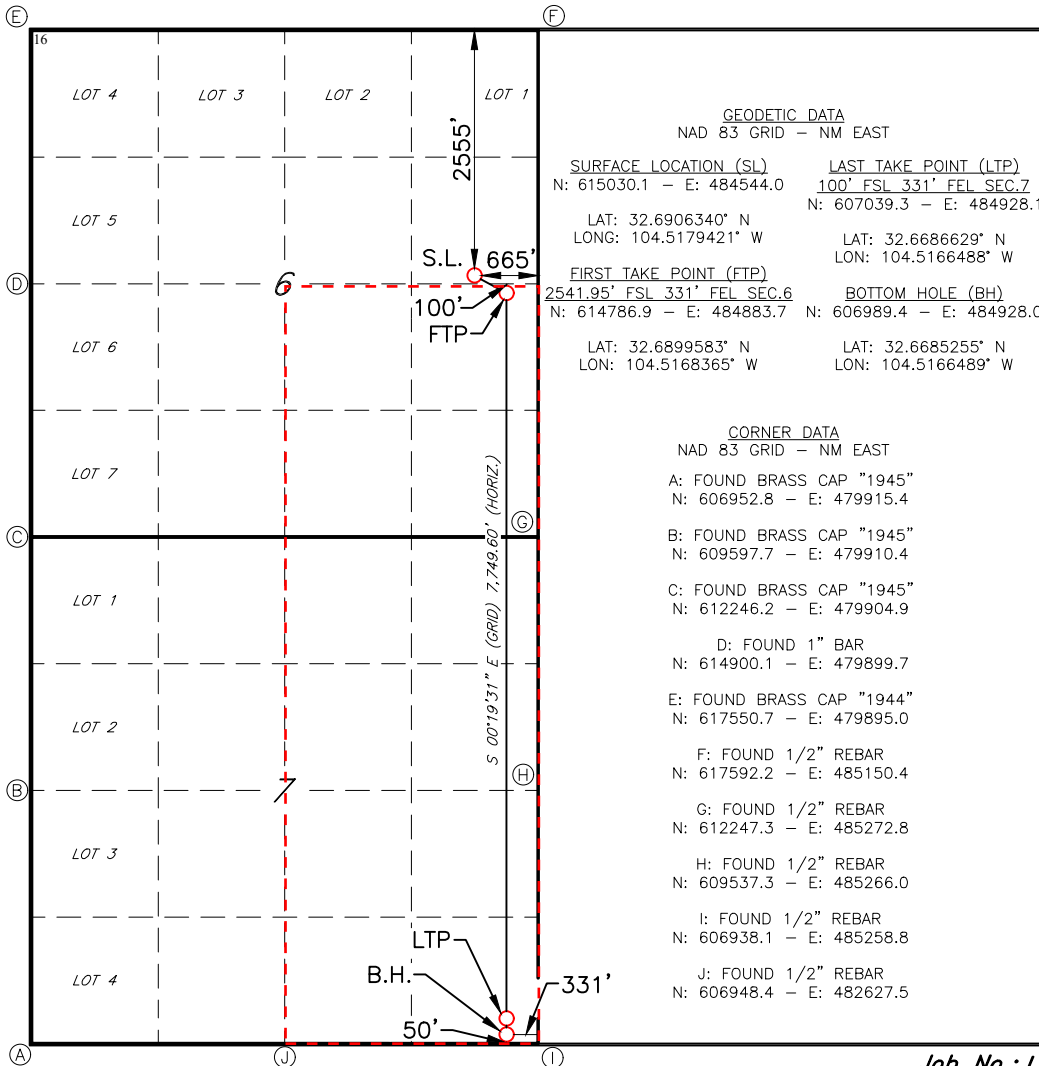
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2555</b>	<b>NORTH</b>	<b>665</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>331</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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*Sarah Chapman* 11/04/2021  
Signature Date  
**SARAH CHAPMAN**

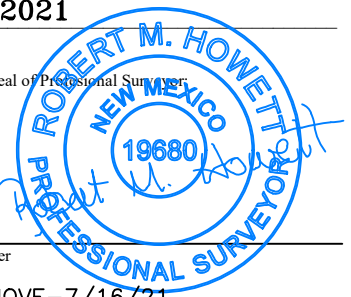
Printed Name  
**SCHAPMAN@SPURENERGY.COM**  
E-mail Address

18 SURVEYOR CERTIFICATION

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**1-22-2021**

Date of Survey  
Signature and Seal of Professional Surveyor



**19680**

Certificate Number

REV: SL MOVE-7/16/21

Job No.: LS20120759R

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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Phone: (505) 476-3460 Fax: (505) 476-3462

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>50H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3620'</b>

10 Surface Location

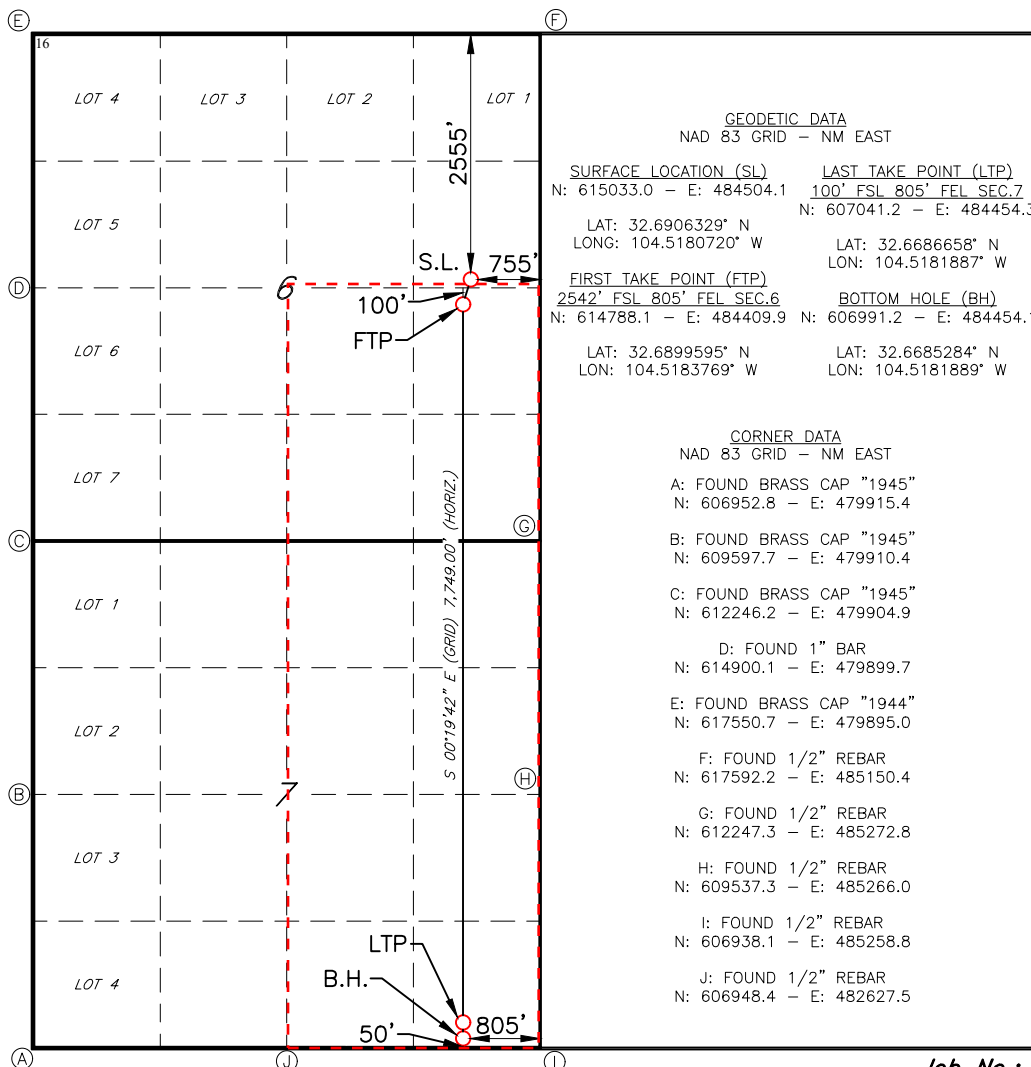
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2555</b>	<b>NORTH</b>	<b>705</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>805</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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*Sarah Chapman* 11/04/2021  
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.

**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21

Job No.: LS20120762R



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>51H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3634'</b>

10 Surface Location

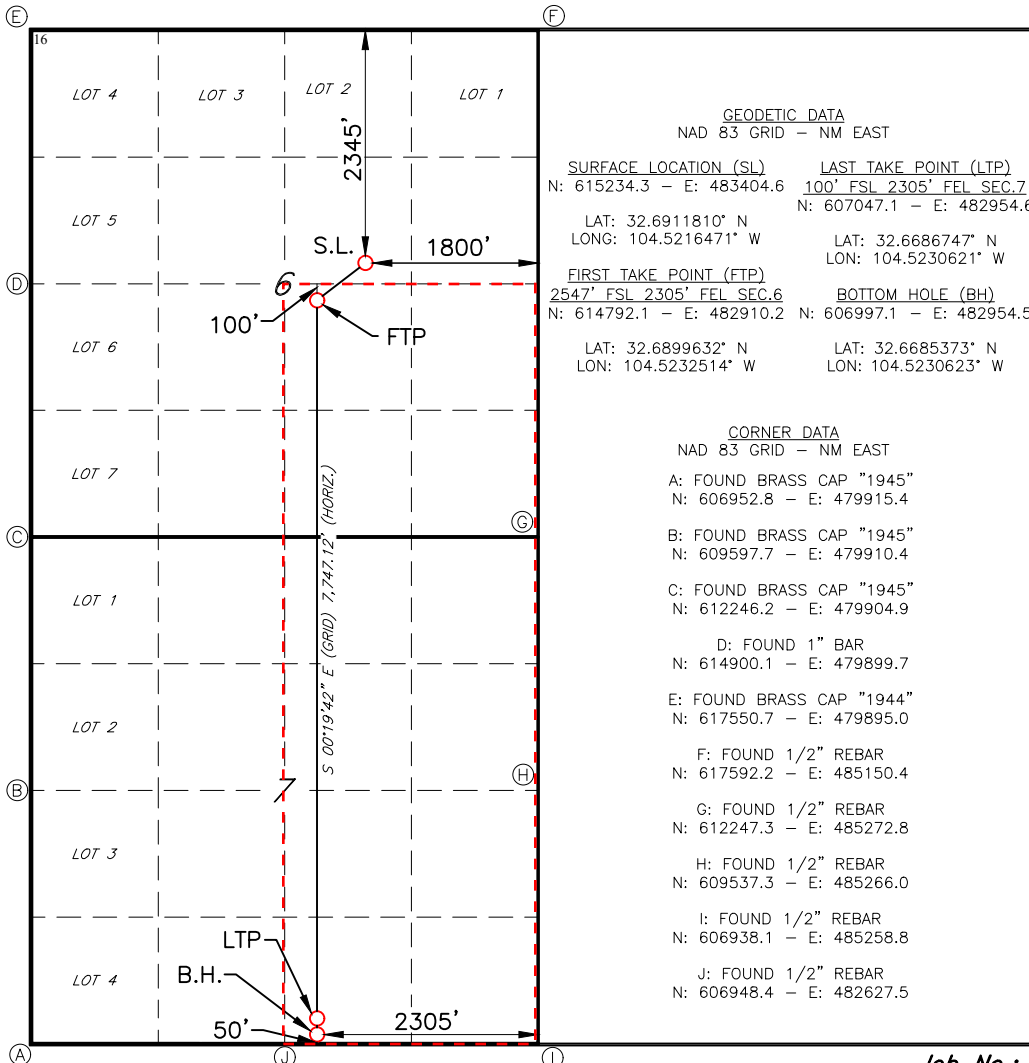
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>G</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2345</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>2305</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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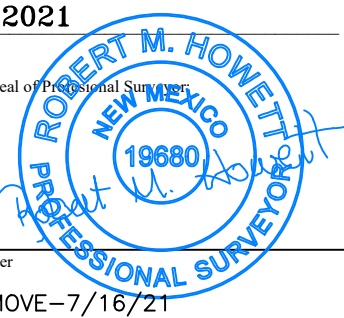


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*Sarah Chapman* 11/04/2021  
Signature Date  
**SARAH CHAPMAN**  
Printed Name  
**SCHAPMAN@SPURENERGY.COM**  
E-mail Address

**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.

**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21



Job No.: LS20120764R

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO(ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>70H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3633'</b>

10 Surface Location

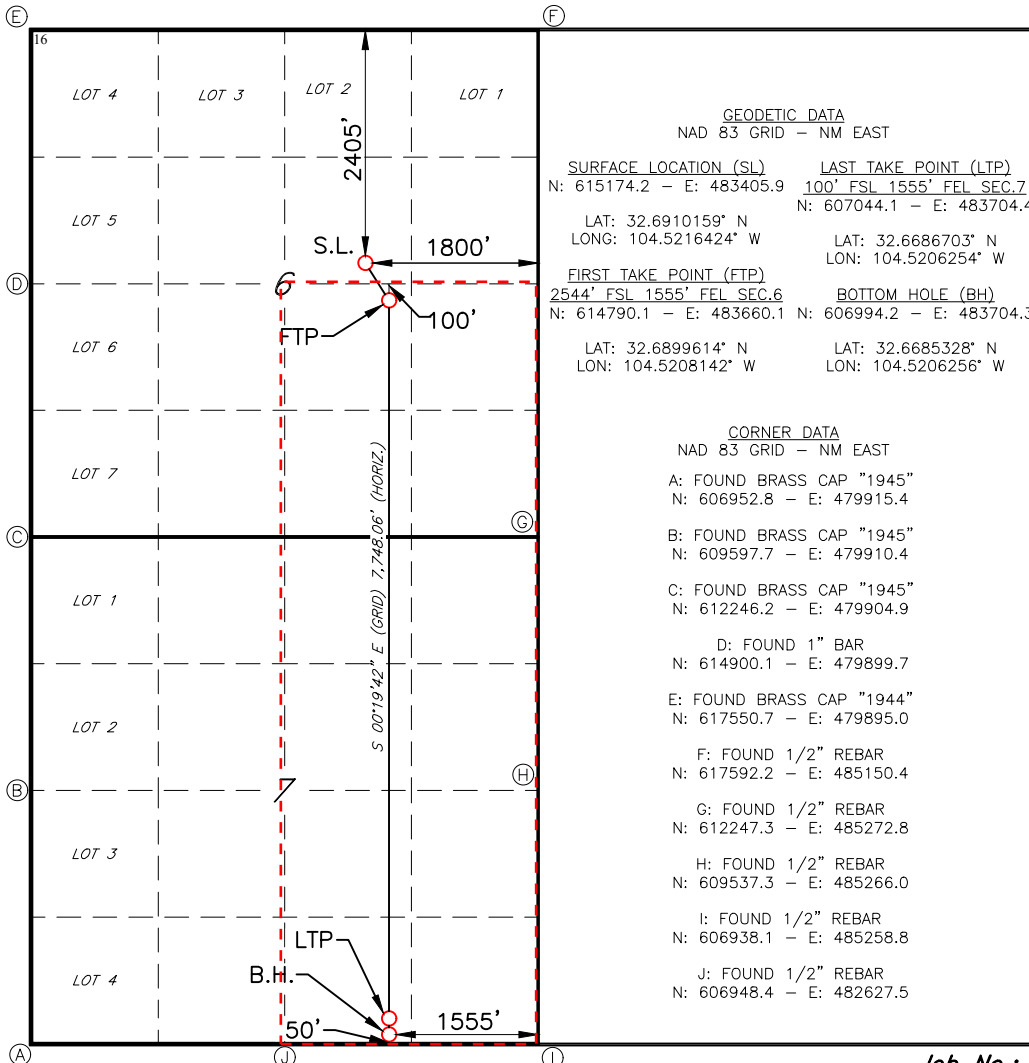
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>G</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2405</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>1555</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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*Sarah Chapman* 11/04/2021  
Signature Date  
**SARAH CHAPMAN**

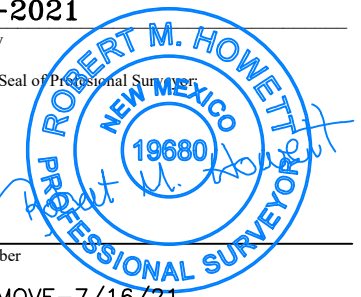
Printed Name  
**SCHAPMAN@SPURENERGY.COM**  
E-mail Address

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**1-22-2021**

Date of Survey  
Signature and Seal of Professional Surveyor



**19680**

Certificate Number

REV: SL MOVE-7/16/21

Job No.: LS20120767R

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 <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>90H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3620'</b>

10 Surface Location

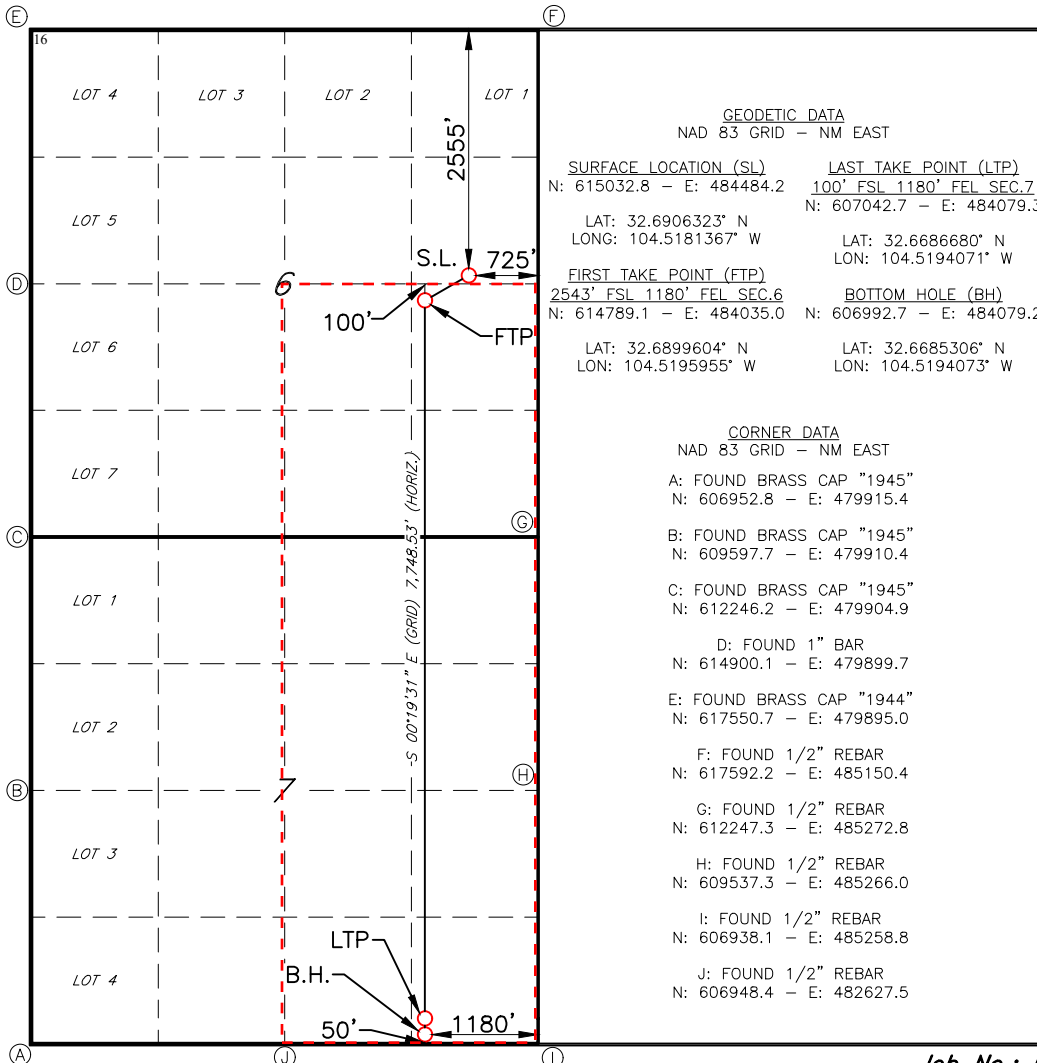
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>H</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2555</b>	<b>NORTH</b>	<b>725</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>1180</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	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.

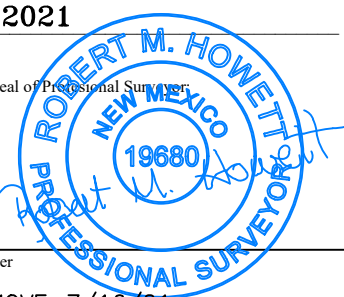


**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right 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* 11/04/2021  
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.

**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21



Job No.: LS20120760R

District I  
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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 <b>30-015-</b>		2 Pool Code <b>50270</b>		3 Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>	
4 Property Code		5 Property Name <b>TRUDY FEDERAL COM</b>			6 Well Number <b>91H</b>
7 OGRID NO. <b>328947</b>		8 Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>			9 Elevation <b>3633'</b>

10 Surface Location

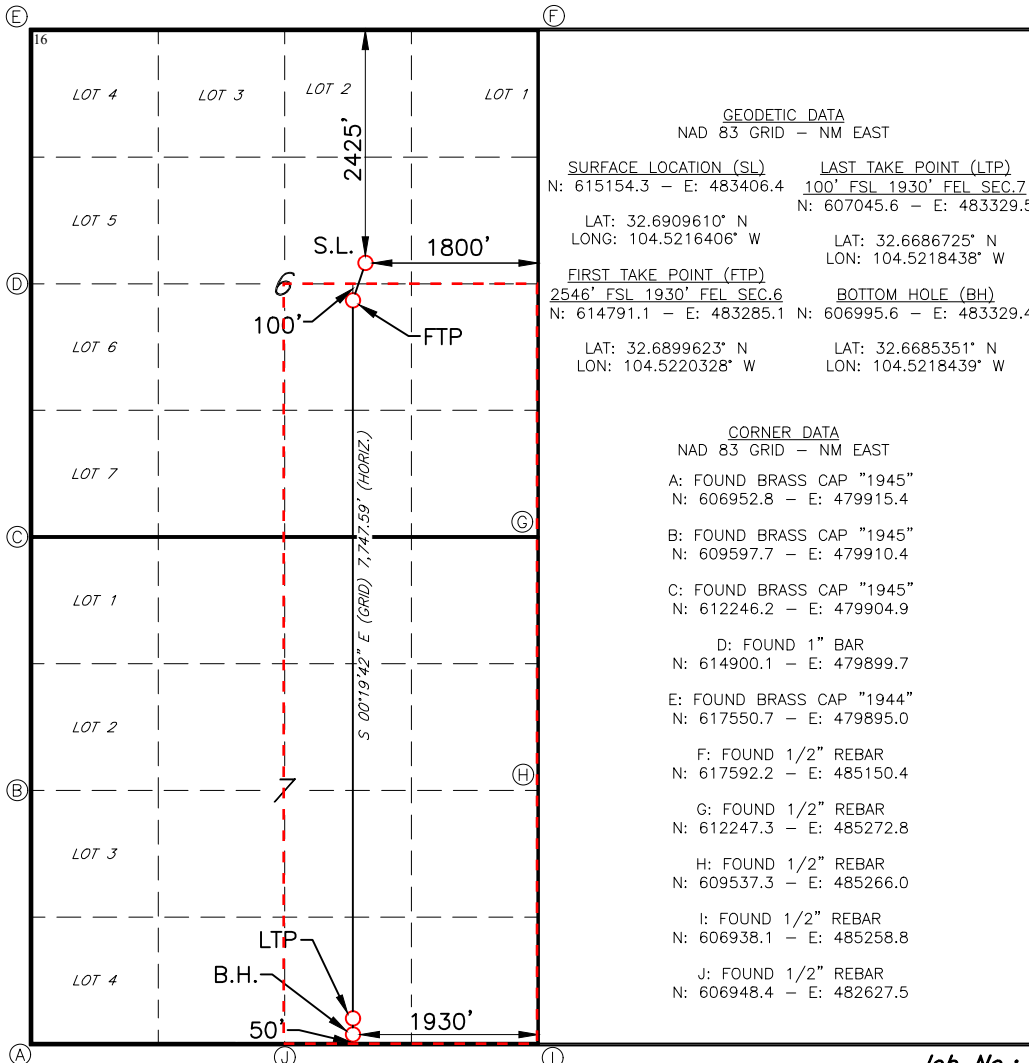
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>G</b>	<b>6</b>	<b>19S</b>	<b>25E</b>		<b>2425</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>EDDY</b>

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>7</b>	<b>19S</b>	<b>25E</b>		<b>50</b>	<b>SOUTH</b>	<b>1930</b>	<b>EAST</b>	<b>EDDY</b>

12 Dedicated Acres <b>400</b>	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.

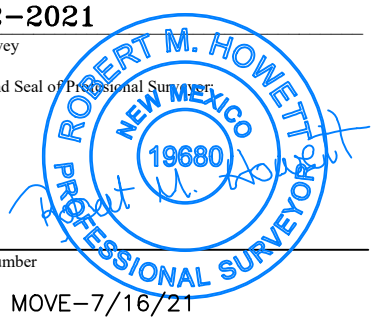


**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right 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* 11/04/2021  
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.

**1-22-2021**  
Date of Survey  
Signature and Seal of Professional Surveyor  
**19680**  
Certificate Number  
REV: SL MOVE-7/16/21

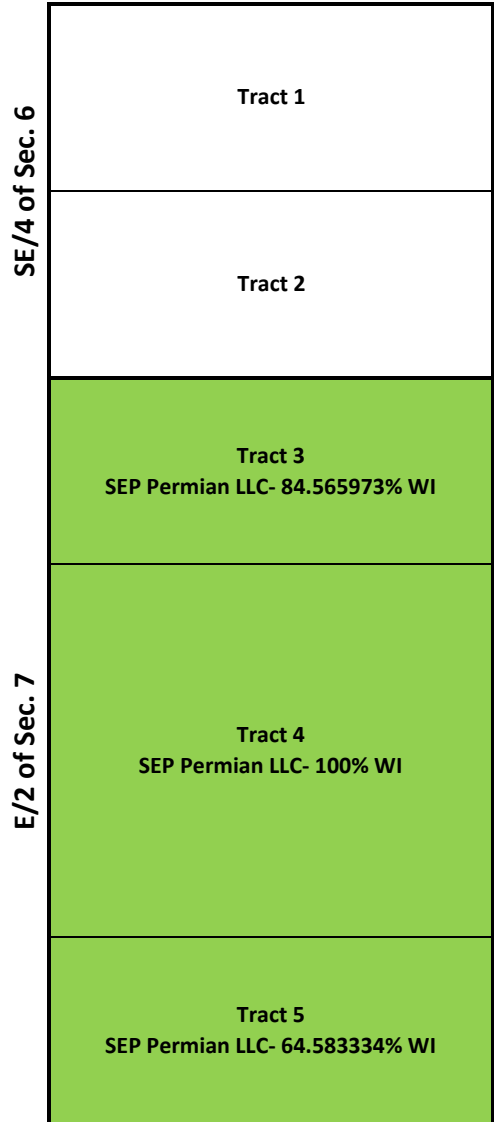


Job No.: LS20120763R

TRUDY FEDERAL COM 10H, 11H, 20H, 30H, 50H, 51H AND 70H  
480 ACRES  
CASE NO. 22760

TRUDY FEDERAL COM 90H AND 91H  
480 ACRES  
CASE NO. 22760

Township 19 South, Range 25 East  
Section 6: SE/4  
Section 7: E/2  
Eddy County, NM



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C2  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760

**TRUDY SHALLOW (Top of Yeso to 3,150')- TRACT/DSU WORKING INTEREST SUMMARY**

TRACT NUMBER	LOCATION	SECTION	ACRES
TRACT 1	N/2 SE/4	6-19S-25E	80
TRACT 2	S/2 SE/4	6-19S-25E	80
TRACT 3	N/2 NE/4	7-19S-25E	80
TRACT 4	S/2 NE/4	7-19S-25E	160
TRACT 5	N/2 SE/4	7-19S-25E	80
			480

Parties to be pooled are highlighted in YELLOW

		Record Title Ownership		
TRACT	Interest Type	WI	Gross Ac	Net Ac
<b>TRACT 1</b>				
Oxy Y-1 Company	WI	0.16666667	80.00000000	13.33333360
Sharbro Energy LLC	WI	0.12500000	80.00000000	10.00000000
Vladin LLC	WI	0.08333333	80.00000000	6.66666640
Silverback Exploration	WI	0.62500000	80.00000000	50.00000000
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 2</b>				
Oxy Y-1 Company	WI	0.08333333	80.00000000	6.66666640
Vladin LLC	WI	0.04166667	80.00000000	3.33333360
Sharbro Energy LLC	WI	0.06250000	80.00000000	5.00000000
Silverback Exploration	WI	0.80787037	80.00000000	64.62962960
Separate Estate of Billy J. Walcott, Deceased	UMI	0.00462963	80.00000000	0.37037040
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 3</b>				
SEP Permian LLC	WI	0.84565973	80.00000000	67.65277840
Serena G. Hamilton Rushford	UMI	0.03281250	80.00000000	2.62500000
John A. Paris	UMI	0.05625000	80.00000000	4.50000000
Pacific Christian College	UMI	0.01875000	80.00000000	1.50000000
Kulpahar Kids' Home	UMI	0.01875000	80.00000000	1.50000000
Beverly Paris	UMI	0.01388889	80.00000000	1.11111120
Don P. Schlotman	UMI	0.00694444	80.00000000	0.55555520
Robert L. Schlotman, IV	UMI	0.00694444	80.00000000	0.55555520
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 4</b>				
SEP Permian LLC	WI	1.00000000	160.00000000	160.00000000
<b>TOTAL</b>		<b>1.00000000</b>	<b>160.00000000</b>	<b>160.00000000</b>
<b>TRACT 5</b>				
Sharbro Energy LLC	WI	0.06250000	80.00000000	5.00000000
Vladin LLC	WI	0.08333333	80.00000000	6.66666640
Oxy Y-1 Company	WI	0.08333333	80.00000000	6.66666640
Marshall & Winston, Inc.	UMI	0.12500000	80.00000000	10.00000000
SEP Permian LLC	WI	0.64583334	80.00000000	51.66666720
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>

TRUDY SHALLOW RECORD TITLE DSU RECAPITULATION		
	Net Ac	DSU WI %
Beverly Paris	1.1111112	0.231482%
Don P. Schlotman	0.5555552	0.115741%
John A. Paris	4.5	0.937500%
Kulpahar Kids' Home	1.5	0.312500%
Marshall & Winston, Inc.	10	2.083333%
Oxy Y-1 Company	26.666668	5.555556%
Pacific Christian College	1.5	0.312500%
Robert L. Schlotman, IV	0.5555552	0.115741%
SEP Permian LLC	279.3194456	58.191551%
Separate Estate of Billy J. Walcott, Deceased	0.3703704	0.077161%
Serena G. Hamilton Rushford	2.625	0.546875%
Sharbro Energy LLC	20.0000016	4.166667%
Silverback Exploration	114.6296304	23.881173%
Vladin LLC	16.6666656	3.472222%
	<b>480.00</b>	<b>100.00000%</b>

<b>SEEKING TO POOL THE FOLLOWING NPRI AND ORRI OWNERS IN THE TRUDY SHALLOW (TOP OF YESO TO 3,150') UNIT</b>	
<b>ORRI</b>	<b>NPRI</b>
Alice Ann Freeman P.O. Box 9087 Wichita Falls, TX 76308	B. W. Harper and Ruth Harper, JTWROS Attn: Ruth Harper 501 W. Dallas, Ave. Artesia, NM 88210
Angela Essman Spencer P.O. Box 7501 Midland, TX 79704	Cydney McDonald Medford 2111 Paisano Road Austin, TX 78746-2201
Silverback Exploration 19707 IH 10 West, Suite 201 San Antonio, TX 78257	Eddie M. Mahfood and Valerie Ann Mahfood, JTWROS Attn: Valerie Mahfood 7771 Joe Newton Street, San Antonio, TX 78251
Florence Essman Slape 804 Palomino Midland, TX 79705	George Scott Cranford, Trustee of the Scott Cranford AP Trust dated September 17, 2018 2009 Hubbard Court Villa Rica, GA 30180
James W. Essman 1209 Country Club Drive Midland, TX 79701	Jack Scott McDonald 4510 Houston Ave. Snyder, TX 79549
Jeanette Probandt Trust P.O. Box 5575 Midland, TX 79704	Jan Alice Herrstrom 202 Brentwood Oaks Drive Nashville, TN, 37211
Maner B. Shaw 310 West Wall Street, Suite 305 Midland, TX 79701	Mary G. Riddle 18642 Iroquois Cove College Station, TX 77845-7376
Mike H. Roberts Attn: Julie Ann Roberts Wilkinson 3 Glendalough Court San Antonio, TX 78209	Ocotillo Production, LLC P.O. Box 93638 Albuquerque, NM 87199
Oscura Resources, Inc. P.O. Box 647 Artesia, NM 88211	Thomas Ray Smith 5818 Dominion Ridge Circle San Angelo, TX 76904
R. E. Chambers 2441 Stanmore Drive Houston, TX 77019	Twin Oaks Petroleum, LLC 7038 Chimney Hill Drive Nolanville, TX 76559
XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389	William J. McCaw P.O. Box 376 Artesia, NM 88211-0376
	Yates Brothers P.O. Box 1394 Artesia, NM 88211-1394

**TRUDY DEEP (3,150' to Base of Yeso)- TRACT/DSU WORKING INTEREST SUMMARY**

TRACT NUMBER	LOCATION	SECTION	ACRES
TRACT 1	N/2 SE/4	6-19S-25E	80
TRACT 2	S/2 SE/4	6-19S-25E	80
TRACT 3	N/2 NE/4	7-19S-25E	80
TRACT 4	S/2 NE/4	7-19S-25E	160
TRACT 5	N/2 SE/4	7-19S-25E	80
			<b>480</b>

Parties to be pooled are highlighted in YELLOW

TRACT	Interest Type	Record Title Ownership		
		WI	Gross Ac	Net Ac
<b>TRACT 1</b>				
Principal Properties	WI	0.06250000	80.00000000	5.00000000
Gold Coast Resources, Inc.	WI	0.50000000	80.00000000	40.00000000
Andrews Oil, L.P.	WI	0.12500000	80.00000000	10.00000000
Sian Properties	WI	0.06250000	80.00000000	5.00000000
Silverback Exploration	WI	0.25000000	80.00000000	20.00000000
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 2</b>				
Separate Estate of Billy J. Walcott, Deceased	UMI	0.00462963	80.00000000	0.37037040
Oxy Y-1 Company	WI	0.08333333	80.00000000	6.66666640
Vladin LLC	WI	0.04166667	80.00000000	3.33333360
Sharbro Energy LLC	WI	0.06250000	80.00000000	5.00000000
Silverback Exploration	WI	0.80787037	80.00000000	64.62962960
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 3</b>				
SEP Permian LLC	WI	0.84565973	80.00000000	67.65277840
Serena G. Hamilton Rushford	UMI	0.03281250	80.00000000	2.62500000
John A. Paris	UMI	0.05625000	80.00000000	4.50000000
Pacific Christian College	UMI	0.01875000	80.00000000	1.50000000
Kulpahar Kids' Home	UMI	0.01875000	80.00000000	1.50000000
Beverly Paris	UMI	0.01388889	80.00000000	1.11111120
Don P. Schlotman	UMI	0.00694444	80.00000000	0.55555520
Robert L. Schlotman, IV	UMI	0.00694444	80.00000000	0.55555520
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>
<b>TRACT 4</b>				
SEP Permian LLC	WI	1.00000000	160.00000000	160.00000000
<b>TOTAL</b>		<b>1.00000000</b>	<b>160.00000000</b>	<b>160.00000000</b>
<b>TRACT 5</b>				
Sharbro Energy LLC	WI	0.06250000	80.00000000	5.00000000
Vladin LLC	WI	0.08333333	80.00000000	6.66666640
Oxy Y-1 Company	WI	0.08333333	80.00000000	6.66666640
Marshall & Winston, Inc.	UMI	0.12500000	80.00000000	10.00000000
SEP Permian LLC	WI	0.64583334	80.00000000	51.66666720
<b>TOTAL</b>		<b>1.00000000</b>	<b>80.00000000</b>	<b>80.00000000</b>

**TRUDY DEEP RECORD TITLE INTEREST DSU RECAPITULATION**

	Net Ac	DSU WI %
Andrews Oil, L.P.	10.000000	2.083333%
Beverly Paris	1.111111	0.231482%
Don P. Schlotman	0.555555	0.115741%
Gold Coast Resources, Inc.	40.000000	8.333333%
John A. Paris	4.5	0.937500%
Kulpahar Kids' Home	1.5	0.312500%
Marshall & Winston, Inc.	10	2.083333%
Oxy Y-1 Company	13.333333	2.777778%
Pacific Christian College	1.5	0.312500%
Principal Properties	5.000000	1.041667%
Robert L. Schlotman, IV	0.555555	0.115741%
SEP Permian LLC	279.319445	58.191551%
Separate Estate of Billy J. Walcott, Deceased	0.370370	0.077161%
Serena G. Hamilton Rushford	2.625	0.546875%
Sharbro Energy LLC	10.000000	2.083333%
Sian Properties	5.000000	1.041667%
Silverback Exploration	84.629630	17.631173%
Vladin LLC	10	2.083333%
<b>TOTAL</b>	<b>480.00</b>	<b>100.000000%</b>



<b>SEEKING TO POOL THE FOLLOWING NPRI AND ORRI OWNERS IN THE TRUDY DEEP (3,150' to BASE OF YESO) UNIT</b>	
<b>ORRI</b>	<b>NPRI</b>
Alice Ann Freeman P.O. Box 9087 Wichita Falls, TX 76308	B. W. Harper and Ruth Harper, JTWROS Attn: Ruth Harper 501 W. Dallas, Ave. Artesia, NM 88210
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Doug Laufer 4425 South MOPAC Building II, Suite 103 Austin, TX 78735	Eddie M. Mahfood and Valerie Ann Mahfood, JTWROS Attn: Valerie Mahfood 7771 Joe Newton Street, San Antonio, TX 78251
Silverback Exploration 19707 IH 10 West, Suite 201 San Antonio, TX 78257	George Scott Cranford, Trustee of the Scott Cranford AP Trust dated September 17, 2018 2009 Hubbard Court Villa Rica, GA 30180
Florence Essman Slape 804 Palomino Midland, TX 79705	Jack Scott McDonald 4510 Houston Ave. Snyder, TX 79549
James W. Essman 1209 Country Club Drive Midland, TX 79701	Jan Alice Herrstrom 202 Brentwood Oaks Drive Nashville, TN, 37211
Jeanette Probandt Trust P.O. Box 5575 Midland, TX 79704	Mary G. Riddle 18642 Iroquois Cove College Station, TX 77845-7376
Maner B. Shaw 310 West Wall Street, Suite 305 Midland, TX 79701	Ocotillo Production, LLC P.O. Box 93638 Albuquerque, NM 87199
Mike H. Roberts Attn: Julie Ann Roberts Wilkinson 3 Glendalough Court San Antonio, TX 78209	Thomas Ray Smith 5818 Dominion Ridge Circle San Angelo, TX 76904
Oscura Resources, Inc. P.O. Box 647 Artesia, NM 88211	Twin Oaks Petroleum, LLC 7038 Chimney Hill Drive Nolanville, TX 76559
R. E. Chambers 2441 Stanmore Drive Houston, TX 77019	William J. McCaw P.O. Box 376 Artesia, NM 88211-0376
XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389	Yates Brothers P.O. Box 1394 Artesia, NM 88211-1394



March 4, 2022

**RE: Well Proposals**  
**Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H and 70H**  
**SE/4 Section 6 and E/2 Section 7-T19S-R25E**  
**Eddy County, New Mexico**

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. C3**

**Submitted by: Spur Energy Partners, LLC**

**Hearing Date: June 2, 2022**

**Case No. 22760**

Dear Unleased Mineral Interest Owner,

SEP Permian LLC ("SPUR"), an affiliate of Spur Energy Partners LLC, hereby proposes to drill and complete the **Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H and 70H** wells 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).

**Trudy Federal Com 10H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 685' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 705' FEL, Section 7, T19S-R25E
- AVG TVD: 2,265'

**Trudy Federal Com 11H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,385' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 2,205' FEL, Section 7, T19S-R25E
- AVG TVD: 2,240'

**Trudy Federal Com 20H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,365' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,455' FEL, Section 7, T19S-R25E
- AVG TVD: 2,420'

**Trudy Federal Com 30H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 665' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 331' FEL, Section 7, T19S-R25E
- AVG TVD: 2,530'

**Trudy Federal Com 50H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 705' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 805' FEL, Section 7, T19S-R25E
- AVG TVD: 2,805'

**Trudy Federal Com 51H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,345' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 2,305' FEL, Section 7, T19S-R25E
- AVG TVD: 2,740'



**Trudy Federal Com 70H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,405’ FNL & 1,800’ FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50’ FSL & 1,555’ FEL, Section 7, T19S-R25E
- AVG TVD: 2,905’

Spur proposes to form a Drilling Spacing Unit (“DSU”) covering the SE/4 Section 6-T19S-R25E and the E/2 Section 7-19S-25E, Eddy County, New Mexico, containing 480 acres of land, more or less, from the top of the Yeso formation to a subsurface depth of 3,150 feet. It is unknown if portions of the lands are governed by existing Joint Operating Agreements covering these depths, however, 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 June 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, concept wells and operations within the DSU. The NJOA shall have the following general provisions:

- Effective Date of June 1, 2022
- Contract Area consisting of SE/4 Section 6-T19S-R25E and the E/2 Section 7-T19S-R25E
- Limited in depth from the top of the Yeso to the subsurface depth of 3,150 feet
- 100%/300%/300% non-consenting penalty
- \$8,000/\$800 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named as Operator

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. Your estimated working interest based on your unleased mineral interest in the proposed 480 acre DSU is shown on Exhibit “A” enclosed herewith.

SPUR respectfully requests that you select one of the following three options with regard to your interest in each of 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 – Lease Option:** Execute an Oil and Gas Lease (“OGL”) based upon a price of \$750 per net mineral acre (proportionately reduced to your Yeso formation ownership), 1/5th royalty, and three (3) year paid-up primary term (limited to the Yeso formation), and as long thereafter as production is obtained in paying quantities and upon approval of marketable and defensible title.

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 lease your minerals under the terms outlined above in the Option 3 – Lease Option, please indicate this by signing the enclosed Lease Election page. Upon receipt, SPUR will submit an Oil and Gas Lease 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 each of the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or [mulauck@spurenergy.com](mailto:mulauck@spurenergy.com) or the undersigned via email at [rdalton@spurenergy.com](mailto:rdalton@spurenergy.com). Thank you very much for your assistance and cooperation.

Sincerely,

Rett Dalton  
Sr. Landman

Enclosures  
Exhibit "A"  
AFEs



**Exhibit “A” – Estimated interest for UMI Owner in proposed Trudy 480 acre, more or less, DSU**

**“UMI”**

Estimated Unleased Mineral Interest for the Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H, and 70H is: 4.1666667%

Estimated Unleased Mineral Interest for the Trudy Federal Com 90H and 91H wells is: 4.1666667%



**March 4, 2022**  
**Trudy Federal Com 10H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 11H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 20H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 20H** 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 **Trudy Federal Com 20H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





**March 4, 2022**

**Trudy Federal Com 30H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 30H** 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 **Trudy Federal Com 30H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 50H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 51H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 51H** 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 **Trudy Federal Com 51H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 70H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Option 3 – Lease Option**

*\_\_\_\_\_ The undersigned hereby elects to enter into an OGL covering their unleased minerals in the SE/4 Section 6-T19S-R25E and/or the E/2 Section 7-19S-25E, upon approval of marketable and defensible title, with SEP Permian LLC for a bonus consideration of \$750 per net mineral acre (proportionately reduced to your Yeso formation ownership), 1/5th royalty and three (3) year paid-up primary term (limited to the Yeso formation).*

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



March 4, 2022

**RE: Well Proposals**  
**Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H and 70H**  
**SE/4 Section 6 and E/2 Section 7-T19S-R25E**  
**Eddy County, New Mexico**

Dear Working Interest Owner,

SEP Permian LLC ("SPUR"), an affiliate of Spur Energy Partners LLC, hereby proposes to drill and complete the **Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H and 70H** wells 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).

**Trudy Federal Com 10H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 685' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 705' FEL, Section 7, T19S-R25E
- AVG TVD: 2,265'

**Trudy Federal Com 11H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,385' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 2,205' FEL, Section 7, T19S-R25E
- AVG TVD: 2,240'

**Trudy Federal Com 20H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,365' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,455' FEL, Section 7, T19S-R25E
- AVG TVD: 2,420'

**Trudy Federal Com 30H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 665' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 331' FEL, Section 7, T19S-R25E
- AVG TVD: 2,530'

**Trudy Federal Com 50H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 705' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 805' FEL, Section 7, T19S-R25E
- AVG TVD: 2,805'

**Trudy Federal Com 51H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,345' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 2,305' FEL, Section 7, T19S-R25E
- AVG TVD: 2,740'



**Trudy Federal Com 70H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,405’ FNL & 1,800’ FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50’ FSL & 1,555’ FEL, Section 7, T19S-R25E
- AVG TVD: 2,905’

Spur proposes to form a Drilling Spacing Unit (“DSU”) covering the SE/4 Section 6-T19S-R25E and the E/2 Section 7-19S-25E, Eddy County, New Mexico, containing 480 acres of land, more or less, from the top of the Yeso formation to a subsurface depth of 3,150 feet. It is unknown if portions of the lands are governed by existing Joint Operating Agreements covering these depths, however, 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 June 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, concept wells and operations within the DSU. The NJOA shall have the following general provisions:

- Effective Date of June 1, 2022
- Contract Area consisting of SE/4 Section 6-T19S-R25E and the E/2 Section 7-T19S-R25E
- Limited in depth from the top of the Yeso to the subsurface depth of 3,150 feet
- 100%/300%/300% non-consenting penalty
- \$8,000/\$800 drilling and producing monthly overhead rate
- Spur Energy Partners LLC named as Operator

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. Your estimated working interest based on your unleased mineral interest in the proposed 480 acre DSU is shown on Exhibit “A” enclosed herewith.

SPUR respectfully requests that you select one of the following three options with regard to your interest in each of 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 – Term Assignment Option:** Assign your leasehold working interest in the SE/4 of Section 6-T19S-R25E and/or the E/2 of Section 7-T19S-R25E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, and a bonus consideration of \$750 per net mineral acre, delivering a 75% leasehold net revenue interest (limited to the Yeso formation).
- **Option 4 - Assignment Option:** Assign your leasehold working interest in the SE/4 of Section 6-T19S-R25E and/or the E/2 of Section 7-T19S-R25E, exclusive of existing wellbores, to SPUR for a bonus consideration of \$1,500 per net mineral acre, delivering 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 the Option 3 – Term Assignment Option, or Option



4 – Assignment Option, please so indicate by signing the enclosed Assignment Election page. Upon receipt, SPUR will submit an 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 each of the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or [mulauck@spurenergy.com](mailto:mulauck@spurenergy.com) or the undersigned via email at [rdalton@spurenergy.com](mailto:rdalton@spurenergy.com). Thank you very much for your assistance and cooperation.

Sincerely,

Rett Dalton  
Sr. Landman

Enclosures  
Exhibit "A"  
AFEs





**Exhibit "A" – Estimated interest for WI Owner in proposed Trudy 480 acre, more or less, DSU**

**"WI Owner"**

Estimated Working Interest for the Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H, and 70H wells is: 3.472222%

Estimated Working Interest for the Trudy Federal Com 90H and 91H wells is: 1.733853%



**March 4, 2022**  
**Trudy Federal Com 10H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 11H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 20H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 20H** 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 **Trudy Federal Com 20H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 30H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 30H** 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 **Trudy Federal Com 30H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 50H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 51H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 51H** 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 **Trudy Federal Com 51H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 70H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





**March 4, 2022**

**Option 3 - Term Assignment Option**

\_\_\_\_\_ The undersigned hereby elects to assign their leasehold working interest in the SE/4 of Section 6, T19S-R25E and/or the E/2 of Section 7, T19S-R25E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, and a bonus consideration of \$750 per net mineral acre, delivering a 75% leasehold net revenue interest (limited to the Yeso formation).

**Option 4 - Assignment Option**

\_\_\_\_\_ The undersigned hereby elects to assign their leasehold working interest in the SE/4 of Section 6, T19S-R25E and/or the E/2 of Section 7, T19S-R25E, exclusive of existing wellbores, to SPUR for a bonus consideration of \$1,500 per net mineral acre, delivering a 75% leasehold net revenue interest (all rights owned).

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Authority for Expenditure**  
Drill, Complete, & Equip



Operator : <u>Spur Energy Partners LLC</u>	AFE #: <u>C22001</u>
Well Name : <u>TRUDY FEDERAL COM 10H</u>	
Location : <u>NEW MEXICO / EDDY</u>	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 41,000	\$ -	\$ -	\$ -	\$ 41,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 166,000	\$ -	\$ -	\$ -	\$ 166,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 80,750	\$ -	\$ -	\$ -	\$ 80,750	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	\$ -
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	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 836,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 836,250</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 361,500	\$ -	\$ -	\$ -	\$ 361,500	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 470,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 470,750</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,307,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,307,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 10H – LP1 TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,307,000	\$ -	\$ -	\$ -	\$ 1,307,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22002
Well Name : TRUDY FEDERAL COM 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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 41,000	\$ -	\$ -	\$ -	\$ 41,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 166,000	\$ -	\$ -	\$ -	\$ 166,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 80,750	\$ -	\$ -	\$ -	\$ 80,750	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	\$ -
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	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 836,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 836,250</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 361,500	\$ -	\$ -	\$ -	\$ 361,500	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 470,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 470,750</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,307,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,307,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 11H – LP1 TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,307,000	\$ -	\$ -	\$ -	\$ 1,307,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22003
Well Name : TRUDY FEDERAL COM 20H	
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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 41,000	\$ -	\$ -	\$ -	\$ 41,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 166,000	\$ -	\$ -	\$ -	\$ 166,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 80,750	\$ -	\$ -	\$ -	\$ 80,750	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	\$ -
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	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 836,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 836,250</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 361,500	\$ -	\$ -	\$ -	\$ 361,500	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 470,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 470,750</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,307,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,307,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 20H – LP2 TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,307,000	\$ -	\$ -	\$ -	\$ 1,307,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22004
Well Name : TRUDY FEDERAL COM 30H	
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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 41,000	\$ -	\$ -	\$ -	\$ 41,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 166,000	\$ -	\$ -	\$ -	\$ 166,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 80,750	\$ -	\$ -	\$ -	\$ 80,750	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	\$ -
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	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 836,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 836,250</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 361,500	\$ -	\$ -	\$ -	\$ 361,500	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 470,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 470,750</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,307,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,307,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -



2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 30H – LP3 TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,307,000	\$ -	\$ -	\$ -	\$ 1,307,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,473,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



**Authority for Expenditure**  
Drill, Complete, & Equip



Operator : <u>Spur Energy Partners LLC</u>	AFE #: <u>C22005</u>
Well Name : <u>TRUDY FEDERAL COM 50H</u>	
Location : <u>NEW MEXICO / EDDY</u>	
Project :	
Description :	

INTANGIBLE DRILLING	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2050-1000	LOCATION - OPS	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 205,000	\$ -	\$ -	\$ -	\$ 205,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
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	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 83,000	\$ -	\$ -	\$ -	\$ 83,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 995,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,750</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 388,000	\$ -	\$ -	\$ -	\$ 388,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 497,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,250</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,493,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,493,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 50H – UB TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,493,000	\$ -	\$ -	\$ -	\$ 1,493,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22006
Well Name : TRUDY FEDERAL COM 51H	
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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 205,000	\$ -	\$ -	\$ -	\$ 205,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
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	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 83,000	\$ -	\$ -	\$ -	\$ 83,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 995,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,750</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 388,000	\$ -	\$ -	\$ -	\$ 388,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 497,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,250</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,493,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,493,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 51H - UB TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,493,000	\$ -	\$ -	\$ -	\$ 1,493,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22007
Well Name : TRUDY FEDERAL COM 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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURKEY)	\$ 205,000	\$ -	\$ -	\$ -	\$ 205,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
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	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 83,000	\$ -	\$ -	\$ -	\$ 83,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 995,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,750</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 388,000	\$ -	\$ -	\$ -	\$ 388,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 497,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,250</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,493,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,493,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 70H - UB TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,493,000	\$ -	\$ -	\$ -	\$ 1,493,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



March 4, 2022

**RE: Well Proposals  
Trudy Federal Com 90H and 91H  
SE/4 Section 6 and E/2 Section 7-T19S-R25E  
Eddy County, New Mexico**

Dear Unleased Mineral Interest Owner,

SEP Permian LLC ("SPUR"), an affiliate of Spur Energy Partners LLC, hereby proposes to drill and complete the **Trudy Federal Com 90H and 91H** wells 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).

**Trudy Federal Com 90H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 725' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,180' FEL, Section 7, T19S-R25E
- AVG TVD: 3,280'

**Trudy Federal Com 91H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,425' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,930' FEL, Section 7, T19S-R25E
- AVG TVD: 3,250'

Spur proposes to form a Drilling Spacing Unit ("DSU") covering the SE/4 Section 6-T19S-R25E and the E/2 Section 7-19S-25E, Eddy County, New Mexico, containing 480 acres of land, more or less, from and below a subsurface depth of 3,150 feet to the base of the Yeso formation. It is unknown if portions of the lands are governed by existing Joint Operating Agreements covering these depths, however, 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 June 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, concept wells and operations within the DSU. The NJOA shall have the following general provisions:

- Effective Date of June 1, 2022
- Contract Area consisting of SE/4 Section 6-T19S-R25E and the E/2 Section 7-T19S-R25E
- Limited in depth from and below a subsurface depth of 3,150 feet 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

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. Your estimated working interest based on your unleased mineral interest in the proposed 480 acre DSU is shown on Exhibit "A" enclosed herewith.





SPUR respectfully requests that you select one of the following three options with regard to your interest in each of 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 – Lease Option:** Execute an Oil and Gas Lease (“OGL”) based upon a price of \$750 per net mineral acre (proportionately reduced to your Yeso formation ownership), 1/5th royalty, and three (3) year paid-up primary term (limited to the Yeso formation), and as long thereafter as production is obtained in paying quantities and upon approval of marketable and defensible title.

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 lease your minerals under the terms outlined above in the Option 3 – Lease Option, please indicate this by signing the enclosed Lease Election page. Upon receipt, SPUR will submit an Oil and Gas Lease 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 each of the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or [mulauck@spurenergy.com](mailto:mulauck@spurenergy.com) or the undersigned via email at [rdalton@spurenergy.com](mailto:rdalton@spurenergy.com). Thank you very much for your assistance and cooperation.

Sincerely,

Rett Dalton  
Sr. Landman

Enclosures  
Exhibit “A”  
AFEs



**Exhibit “A” – Estimated interest for UMI Owner in proposed Trudy 480 acre, more or less, DSU**

**“UMI”**

Estimated Unleased Mineral Interest for the Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H, and 70H is: 4.1666667%

Estimated Unleased Mineral Interest for the Trudy Federal Com 90H and 91H wells is: 4.1666667%



**March 4, 2022**  
**Trudy Federal Com 90H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**

**Trudy Federal Com 91H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 91H** 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 **Trudy Federal Com 91H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Option 3 – Lease Option**

*The undersigned hereby elects to enter into an OGL covering their unleased minerals in the SE/4 Section 6-T19S-R25E and/or the E/2 Section 7-19S-25E, upon approval of marketable and defensible title, with SEP Permian LLC for a bonus consideration of \$750 per net mineral acre (proportionately reduced to your Yeso formation ownership), 1/5th royalty and three (3) year paid-up primary term (limited to the Yeso formation).*

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



March 4, 2022

**RE: Well Proposals  
Trudy Federal Com 90H and 91H  
SE/4 Section 6 and E/2 Section 7-T19S-R25E  
Eddy County, New Mexico**

Dear Working Interest Owner,

SEP Permian LLC ("SPUR"), an affiliate of Spur Energy Partners LLC, hereby proposes to drill and complete the **Trudy Federal Com 90H and 91H** wells 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).

**Trudy Federal Com 90H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,555' FNL & 725' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,180' FEL, Section 7, T19S-R25E
- AVG TVD: 3,280'

**Trudy Federal Com 91H – Horizontal Yeso Well, Eddy County, NM**

- Proposed Surface Hole Location – 2,425' FNL & 1,800' FEL, Section 6, T19S-R25E
- Proposed Bottom Hole Location – 50' FSL & 1,930' FEL, Section 7, T19S-R25E
- AVG TVD: 3,250'

Spur proposes to form a Drilling Spacing Unit ("DSU") covering the SE/4 Section 6-T19S-R25E and the E/2 Section 7-19S-25E, Eddy County, New Mexico, containing 480 acres of land, more or less, from and below a subsurface depth of 3,150 feet to the base of the Yeso formation. It is unknown if portions of the lands are governed by existing Joint Operating Agreements covering these depths, however, 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 June 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, concept wells and operations within the DSU. The NJOA shall have the following general provisions:

- Effective Date of June 1, 2022
- Contract Area consisting of SE/4 Section 6-T19S-R25E and the E/2 Section 7-T19S-R25E
- Limited in depth from and below a subsurface depth of 3,150 feet 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

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. Your estimated working interest based on your unleased mineral interest in the proposed 480 acre DSU is shown on Exhibit "A" enclosed herewith.



SPUR respectfully requests that you select one of the following three options with regard to your interest in each of 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 – Term Assignment Option:** Assign your leasehold working interest in the SE/4 of Section 6-T19S-R25E and/or the E/2 of Section 7-T19S-R25E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, and a bonus consideration of \$750 per net mineral acre, delivering a 75% leasehold net revenue interest (limited to the Yeso formation).
- **Option 4 - Assignment Option:** Assign your leasehold working interest in the SE/4 of Section 6-T19S-R25E and/or the E/2 of Section 7-T19S-R25E, exclusive of existing wellbores, to SPUR for a bonus consideration of \$1,500 per net mineral acre, delivering 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 the Option 3 – Term Assignment Option, or Option 4 – Assignment Option, please so indicate by signing the enclosed Assignment Election page. Upon receipt, SPUR will submit an 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 each of the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Murphy Lauck at 832-982-1087 or [mulauck@spurenergy.com](mailto:mulauck@spurenergy.com) or the undersigned via email at [rdalton@spurenergy.com](mailto:rdalton@spurenergy.com). Thank you very much for your assistance and cooperation.

Sincerely,

Rett Dalton  
Sr. Landman

Enclosures  
Exhibit “A”  
AFEs



**Exhibit "A" – Estimated interest for WI Owner in proposed Trudy 480 acre, more or less, DSU**

**"WI Owner"**

Estimated Working Interest for the Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H, and 70H wells is: 3.472222%

Estimated Working Interest for the Trudy Federal Com 90H and 91H wells is: 1.733853%





**March 4, 2022**  
**Trudy Federal Com 90H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal 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 **Trudy Federal 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**  
**Trudy Federal Com 91H**

\_\_\_\_\_ **Option 1)** *The undersigned elects to participate in the drilling and completion of the **Trudy Federal Com 91H** 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 **Trudy Federal Com 91H** 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 \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**March 4, 2022**

**Option 3 - Term Assignment Option**

\_\_\_\_\_ *The undersigned hereby elects to assign their leasehold working interest in the SE/4 of Section 6, T19S-R25E and/or the E/2 of Section 7, T19S-R25E, exclusive of existing wellbores, to SPUR through a term assignment with a primary term of three (3) years and as long thereafter as production is obtained in paying quantities, and a bonus consideration of \$750 per net mineral acre, delivering a 75% leasehold net revenue interest (limited to the Yeso formation).*

**Option 4 - Assignment Option**

\_\_\_\_\_ *The undersigned hereby elects to assign their leasehold working interest in the SE/4 of Section 6, T19S-R25E and/or the E/2 of Section 7, T19S-R25E, exclusive of existing wellbores, to SPUR for a bonus consideration of \$1,500 per net mineral acre, delivering a 75% leasehold net revenue interest (all rights owned).*

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Company/Individual:** \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22008
Well Name : TRUDY FEDERAL COM 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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 205,000	\$ -	\$ -	\$ -	\$ 205,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
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	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 83,000	\$ -	\$ -	\$ -	\$ 83,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 995,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,750</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 388,000	\$ -	\$ -	\$ -	\$ 388,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 497,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,250</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,493,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,493,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 90H - LB TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,493,000	\$ -	\$ -	\$ -	\$ 1,493,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	



Authority for Expenditure  
Drill, Complete, & Equip



Operator : Spur Energy Partners LLC	AFE #: C22009
Well Name : TRUDY FEDERAL COM 91H	
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	\$ 21,750	\$ -	\$ -	\$ -	\$ 21,750	\$ -
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	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000	\$ -
2050-1302	DRILLING RENTALS: SUBSURFACE	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000	\$ -
2050-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-1500	DRILL MUD & COMPL FLUID	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2050-1600	WELLSITE SUPERVISION	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000	\$ -
2050-1900	GROUND TRANSPORT	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -
2050-2000	CONTRACT DRILLING (DAY RATE/TURNKEY)	\$ 205,000	\$ -	\$ -	\$ -	\$ 205,000	\$ -
2050-2001	DRILLING SERVICES-SURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2002	DRILLING SERVICES-SUBSURFACE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2004	DIRECTIONAL TOOLS AND SERVICES	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000	\$ -
2050-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2200	CASED HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2201	OPEN HOLE WIRELINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-2401	FLUID & CUTTINGS DISPOSAL	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
2050-2402	FRAC TANK RENTALS	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
2050-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050-3000	BITS	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000	\$ -
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	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -
2050-4000	CEMENT	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000	\$ -
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	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000	\$ -
2050-8001	MOB/DEMOB RIG	\$ 26,750	\$ -	\$ -	\$ -	\$ 26,750	\$ -
2050-8003	VACUUM TRUCKING	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2050-8005	DRILLPIPE INSPECTION	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2050-8007	CONTRACT LABOR/SERVICES	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2050-8009	MISC IDC/CONTINGENCY	\$ 83,000	\$ -	\$ -	\$ -	\$ 83,000	\$ -
<b>INTANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 995,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,750</b>	<b>\$ -</b>

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	\$ 56,750	\$ -	\$ -	\$ -	\$ 56,750	\$ -
2051-5200	INTERMEDIATE CASING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051-5300	PRODUCTION/LINER CASING	\$ 388,000	\$ -	\$ -	\$ -	\$ 388,000	\$ -
2051-5400	CONDUCTOR PIPE	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2051-5500	WELLHEAD	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	\$ -
2051-5801	LINER HANGER/CASING ACCESSORY	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2051-5803	MISC TANGIBLE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE DRILLING SUBTOTAL</b>		<b>\$ 497,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,250</b>	<b>\$ -</b>
<b>DRILLING TOTAL</b>		<b>\$ 1,493,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,493,000</b>	<b>\$ -</b>

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	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-1301	RENTALS: SURFACE IRON	\$ 68,400	\$ -	\$ -	\$ -	\$ 68,400	\$ -
2055-1302	DRILLING RENTALS: SUBSURFACE	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
2055-1400	EQUIP LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-1500	DRILL MUD & COMPL FLUID	\$ 487,600	\$ -	\$ -	\$ -	\$ 487,600	\$ -
2055-1600	WELLSITE SUPERVISION	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200	\$ -
2055-1800	COMPLETION CHEMICALS	\$ 252,320	\$ -	\$ -	\$ -	\$ 252,320	\$ -
2055-1900	GROUND TRANSPORT	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2005	DRILLING/DAMAGED-LOST IN HOLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2100	PUMPDOWN	\$ 38,000	\$ -	\$ -	\$ -	\$ 38,000	\$ -
2055-2200	CASED HOLE WIRELINE	\$ 114,000	\$ -	\$ -	\$ -	\$ 114,000	\$ -
2055-2300	FRAC PLUGS	\$ 57,000	\$ -	\$ -	\$ -	\$ 57,000	\$ -
2055-2400	WELL PREP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2401	FRAC/FLUID SW DISPOSAL	\$ 15,200	\$ -	\$ -	\$ -	\$ 15,200	\$ -
2055-2402	FRAC TANK RENTALS	\$ 18,240	\$ -	\$ -	\$ -	\$ 18,240	\$ -
2055-2403	FLOWBACK	\$ 45,600	\$ -	\$ -	\$ -	\$ 45,600	\$ -
2055-2600	ES&H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-2900	INSURANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3000	BITS	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
2055-3100	OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3125	CONSTRUCTION OVERHEAD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3200	CONTINGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3300	SPECIALIZED SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3301	STIMULATION AND PUMPING SERVICES	\$ 654,340	\$ -	\$ -	\$ -	\$ 654,340	\$ -
2055-3400	PROPPANT	\$ 302,480	\$ -	\$ -	\$ -	\$ 302,480	\$ -

2055-3600	COMPANY LABOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3750	DAMAGES/ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3800	NON OPERATED CHARGES - ICC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-3900	FUEL, WATER & LUBE	\$ 243,200	\$ -	\$ -	\$ -	\$ 243,200	\$ -
2055-4000	CEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055-4001	CASING CREWS AND LAYDOWN SERVICES	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
2055-8001	COMPLETION/WORKOVER RIG	\$ 82,000	\$ -	\$ -	\$ -	\$ 82,000	\$ -
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	\$ 25,250	\$ -	\$ -	\$ -	\$ 25,250	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 2,577,730</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,577,730</b>	<b>\$ -</b>

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	\$ 2,700	\$ -	\$ -	\$ -	\$ 2,700	\$ -
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	\$ 52,000	\$ -	\$ -	\$ -	\$ 52,000	\$ -
2065-5003	PARTS & SUPPLIES - ELECTRICAL/AUTOMATION	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2065-5004	PARTS & SUPPLIES - WELL LEVEL	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
2065-5100	TUBING	\$ 55,000	\$ -	\$ -	\$ -	\$ 55,000	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TANGIBLE COMPLETION SUBTOTAL</b>		<b>\$ 168,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,450</b>	<b>\$ -</b>
<b>COMPLETION TOTAL</b>		<b>\$ 2,746,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,746,180</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 106,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,500</b>	<b>\$ -</b>

TANGIBLE FACILITY	DESCRIPTION	Original		Supplement		Total	
		8/8ths	Net	8/8ths	Net	8/8ths	Net
2066-1200	VESSELS	\$ 69,000	\$ -	\$ -	\$ -	\$ 69,000	\$ -
2066-1300	COMPRESSORS/COMPRESSOR PACKAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066-1500	ELECTRICAL - OVERHEAD & TRANSFORMERS	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000	\$ -
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)	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ -
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	\$ -
<b>TANGIBLE FACILITY SUBTOTAL</b>		<b>\$ 313,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,500</b>	<b>\$ -</b>
<b>FACILITY TOTAL</b>		<b>\$ 420,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>	<b>\$ -</b>

TRUDY FEDERAL COM 91H - LB TOTAL WELL ESTIMATE	Original		Supplement		Total	
	8/8ths	Net	8/8ths	Net	8/8ths	Net
DRILLING TOTAL	\$ 1,493,000	\$ -	\$ -	\$ -	\$ 1,493,000	\$ -
COMPLETION TOTAL	\$ 2,746,180	\$ -	\$ -	\$ -	\$ 2,746,180	\$ -
FACILITY TOTAL	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000	\$ -
<b>TOTAL WELL COST</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,659,180</b>	<b>\$ -</b>

<b>Partner Approval</b>	
Signed _____	Company _____
Name _____	Date _____
Title _____	

**SPUR\_TRUDY 10H, 11H, 20H, 30H, 50H, 51H, 70H, 90H, 91H  
CASE NO. - POSTAL DELIVERY REPORT  
CORRESPONDENCE HISTORY**

USPS TRACKING	PARTY	DELIVERY ADDRESS	DELIVERY STATUS	2nd Attempt	Additional Attempts/Comments
9414 8118 9876 5840 6269 88	Don P. Schlotman	4169 Mad Anthony St. Cincinnati, OH 45223	Item was returned to sender on 3/21 with no forwarding address	4/7/2022 Item was sent through email and response was he would send in the mail but SPUR has not received it	4/12/22 Robert Schlotman sent email saying he was mailing them to us on 4/13/22 but SPUR has not received yet; SPUR attempted to follow up on 4/19/22 & 4/25/22 with no returned response. 4/27/2022 Sent email for an update
9414 8118 9876 5840 6266 98	E.L. Latham Company	1320 S University Dr, Ste 820 Fort Worth, TX 76107	Item was delivered on 3/26/2022	USPS Tracking: 9414 8118 9876 5841 6837 06 to PO Box 100912 Fort Worth, TX 76185	Delivered on 4/2/22 at 12:41pm 4/7/2022 elected to go Non-Consent
9414 8118 9876 5840 6261 62	Gold Coast Resources, Inc.	1145 Dove Meadow Rd Solvang, CA 93463	Item was returned to sender on 3/17	4/11/2022 Fedex Tracking: 7765 1087 5134 to 1445 Dove Meadow Rd Solvang, CA 93463 516 Sea Ranch Drive, Santa Barbara, CA 93109	* Numerous phone calls and emails with Principal Properties negotiating to sell on behalf of itself and Andrews Oil, Gold Coast Resources, & Sian Properties
9414 8118 9876 5840 6263 60	John A. Paris	12712 Spring St Garden Grove, CA 92845	Item was delivered on 3/8/2022 at 2:15pm	4/21/22 Phone call was made and spoke with John Paris. See comments.	4/20/22 LM for John; (Lexis has spouse as Beverly Bucilla Paris); 4/21/22 spoke with John and has received the docs and would like more information. 4/22/22 RD called John and provided additional info so he can make informed decision on participating or leasing. 4/27/22 LM asking for a quick update
9414 8118 9876 5840 6260 56	Kulpahar Kids Home	C/O Ann Huffman PO Box 32574 Phoenix, AZ 85064	Item delivered on 3/26/22 at 9:48am	4/20/22 @ 2:40pm Sent email regarding well proposals	4/26/22 @3:43pm Sent 2nd attempt email regarding well proposals 4/26/22 @11:42pm Response from Linda Stanton "I did receive your first e-mail and forwarded it to the president of our USA board. I am in India. ... I will again forward this to our president. If you do not receive an answer then do whatever you need to do..."
9414 8118 9876 5840 6260 94	Oxy Y-1 Company	5 Greenway Plaza Houston, TX 77046	Item delivered to Agent on 3/7/2022 at 12:34pm	4/20/22 LM for Landman; Spoke with Landman & she sent the proposal out & has no feedback on participation as of now. TA? Do we have JOA already?send if so.	Attempting to negotiate JOA
9414 8118 9876 5840 6264 38	Pacific Christian College	2500 Nutwood Ave. Fullerton, CA 92831	Item delivered and picked up on 3/9/22 at 6:28am	4/20/22 LM with PCC waiting for call back	4/26/22 Left message with Giving Department. AKA Hope International University 4/27/22 Sr Director of Development, resonded he is working on getting an answer to our proposal



**SPUR\_TRUDY 10H, 11H, 20H, 30H, 50H, 51H, 70H, 90H, 91H**  
**CASE NO. - POSTAL DELIVERY REPORT**  
**CORRESPONDENCE HISTORY**

USPS TRACKING	PARTY	DELIVERY ADDRESS	DELIVERY STATUS	2nd Attempt	Additional Attempts/Comments
9414 8118 9876 5840 6265 75	Principal Properties	1603 Enfield Rd, Ste 101 Austin, TX 78703	Item delivered on 3/7/22 at 12:36pm	Numerous emails and phone calls negotiating sale of interest	*Principal Properties negotiating to sell on behalf of itself and Andrews Oil, Gold Coast Resources, & Sian Properties
9414 8118 9876 5840 6210 51	Robert L. Schlotman, IV	2809 Lake Arnold Pl Orlando, FL 32806	Item is in transit and arriving late 3/13/22	4/7/2022 Spoke with Robert & sent proposals through his email. He replied and said he will mail back - still unreceived.	4/12/22 Robert Schlotman sent email saying he was mailing them to us on 4/13/22 but SPUR has not received yet; SPUR attempted to follow up on 4/19/22 & 4/25/22 with no returned response. 4/27/22 Sent email for an update with no response
9414 8118 9876 5840 6215 32	Schoeffler Energy LLC	224 Rue De Jean Lafayette, LA 70508	Item is in transit and arriving late 3/10/22	4/6/2022 Sent to email regarding well proposals	4/20/22 Spoke with Schoeffler Energy, they received pooling app and well proposals. Will pass them to on for handling; 3/29/22, requested EOG provide an assignment from Schoeffler to EOG since EOG assigned Spur the leases taken by Schoeffler.
9414 8118 9876 5840 6598 25	Separate Estate of Billy J. Walcott, Deceased	8211 New Hampshire St NE	A notice was left on 3/18/22 but no authorized recipient available	Rescheduled delivery on 3/25/22; Delivered on 3/25/2022 at 3:50pm	Interest was force pooled in 2004. 4/25-26/22 Researching any possible heirs associated with Bobby Walcott (deceased 1/29/2017) and/or Annie Ruth Walcott (deceased 3/30/06), Charles Walcott (deceased 3/2/1984) and/or Ruth F. Walcott. 4/26/22 Left message for son of Charles and Ruth to call back.
9414 8118 9876 5840 6597 71	Serena G. Hamilton Rushford	1000 Camelot Dr. Apt 6090 Harlingen, TX 78550	Item delivered on 3/8/222 at 9:13am	4/20/22 Phone calls made & left message 4/21/22, 4/26/22.	Additional phone calls made on 4/21/22, 4/26/22, 4/27/22 with no answer
9414 8118 9876 5840 6269 57	Beverly Paris	517 E Second St Lexington, KY 40508	Item returned to sender on 3/14/2022	USPS Tracking: 9414 8118 9876 5841 4224 28 to 551 W Sixth St Apt 73 Lexington, KY 40508 4/18/22 Item delivered to agent 4/19/2022 Item returned to sender	4/20/22 Unable to locate; 4/21/22 Spoke with John A Paris and he will check with his brother & possible location of Beverly Paris which could be his cousin but he's not sure. 4/22/22 RD spoke with John about Beverly, he will try to contact other relatives to find out about her. 4/27/22 LM with John Paris for any updates he may have on her location.
9414 8118 9876 5840 6590 30	Vladin LLC	P.O. Box 100 Artesia, NM 79710	Item picked up at post office on 3/7/22 at 11:28am	4/20/22 LM for Landman	4/21/22 Vladin will respond by Friday 4/27/22 Elected to participate
9414 8118 9876 5840 6594 43	Marshall and Winston, Inc	P.O. Box 50880 Midland, NM 78710	Item delivered on 3/7/22 at 12:21pm		Elected to participate
9414 8118 9876 5840 6596 58	Sharbro Energy LLC	P.O. Box 840 Artesia, NM 88211	Item delivered, individual picked up at post office on 3/7/22 at 10:49am	4/20/22 LM with Landman	4/21/22 Sharbro wants to work on trade with Spur

**SPUR\_TRUDY 10H, 11H, 20H, 30H, 50H, 51H, 70H, 90H, 91H  
CASE NO. - POSTAL DELIVERY REPORT  
CORRESPONDENCE HISTORY**

9414 8118 9876 5840 6593 51	Silverback Exploration	19707 IH 10 W San Antonio, TX 78257	In transit, forward expired 3/24/22 at 11:22am	USPS Tracking: 9414 8118 9876 5841 4223 43 to 19707 West IH 10, Suite 201 San Antonio, TX 78257 Item delivered on 3/31/22 at 1:38pm	4/20/22 Negotiating
9414 8118 9876 5840 6262 92	Andrews Oil, LP	1015 Beecave Woods Drive, Suite 300A Austin, TX 78746	Item delivered & left with individual on 3/25/22 at 3:13pm	Fedex tracking: 7765 1084 9365 1015 Beecave Woods Drive, Suite 300A	* Numerous phone calls and emails with Principal Properties negotiating to sell on behalf of itself and Andrews Oil, Gold Coast Resources, & Sian Properties
9414 8118 9876 5840 6593 82	The Roy G. Barton, Sr. and Opal Barton Revocable Trust; Roy G. Barton, Jr., Trustee	1919 N. Turner Street Hobbs, NM 88240	Item delivered and left with individual on 3/7/22 at 11:53am		3/21/22 Elected to participate
9414 8118 9876 5840 6595 35	William S Marshall Family Trust	PO Box 50880 Midland, TX 79710	Item delivered on 3/7/22 at 12:21pm		Leased
9414 8118 9876 5840 6591 60	Sian Properties	PO Box 50187 Austin, TX 78763	Item delivered on 3/10/22 at 4:04pm	5410 Bee Caves Rd. Austin, TX 78746	* Numerous phone calls and emails with Principal Properties negotiating to sell on behalf of itself and Andrews Oil, Gold Coast Resources, & Sian Properties

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

APPLICATION OF SPUR ENERGY  
PARTNERS LLC FOR TWO  
COMPULSORY POOLING ORDERS  
REPLACING AND REVOKING ORDER  
NO. R-21578, EDDY COUNTY, NEW  
MEXICO.

CASE NO. 22760

AFFIDAVIT OF C.J. LIPINSKI

C.J. Lipinski, of lawful age and being first duly sworn, declares as follows:

1. My name is C.J. Lipinski. I work for Spur Energy Partners LLC (“Spur”) as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters and my credentials as an expert petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Spur in this case, and I have conducted a geologic study of the lands in the subject area.
4. In this case, Spur is targeting the Yeso formation.
5. **Spur Exhibit D-1** is a locator base map that shows Spur’s acreage in yellow and the path of the proposed wellbores as solid black lines. Nearby wells producing in the target formation are also identified. Also marked on the map are the location of five 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.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760

6. **Spur Exhibit D-2** is a subsea structure map on the top of the Glorieta at 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 east. 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-3** 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: 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 unit. The cross-section also depicts the location of the depth severance in this acreage.

8. **Spur Exhibit D-4** is a 3-D 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 severance.

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.

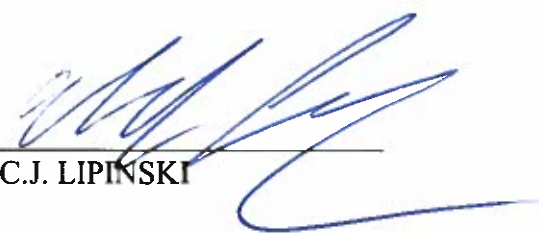
10. The proposed orientation of the wells is the preferred orientation for horizontal well development in the Yeso formation in this area and will efficiently and effectively develop the subject acreage.

11. In my opinion, Spur's application to re-form the existing 320-acre spacing unit into two separate 480-acre spacing units will allow Spur to develop this acreage using its

preferred spacing and is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Spur Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

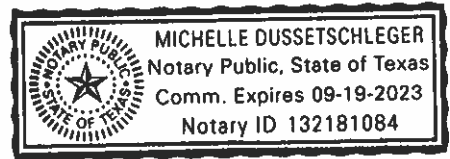
  
C.J. LIPINSKI

STATE OF TEXAS                    )  
  )  
COUNTY OF TRAVIS                )

SUBSCRIBED and SWORN to before me this 28th day of April 2022 by C.J. Lipinski.

  
NOTARY PUBLIC

My Commission Expires:  
9/19/2023



# Exhibit D-1: Trudy Location Basemap

Case No. 22760

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D1

Submitted by: Spur Energy Partners, LLC

Hearing Date: June 2, 2022

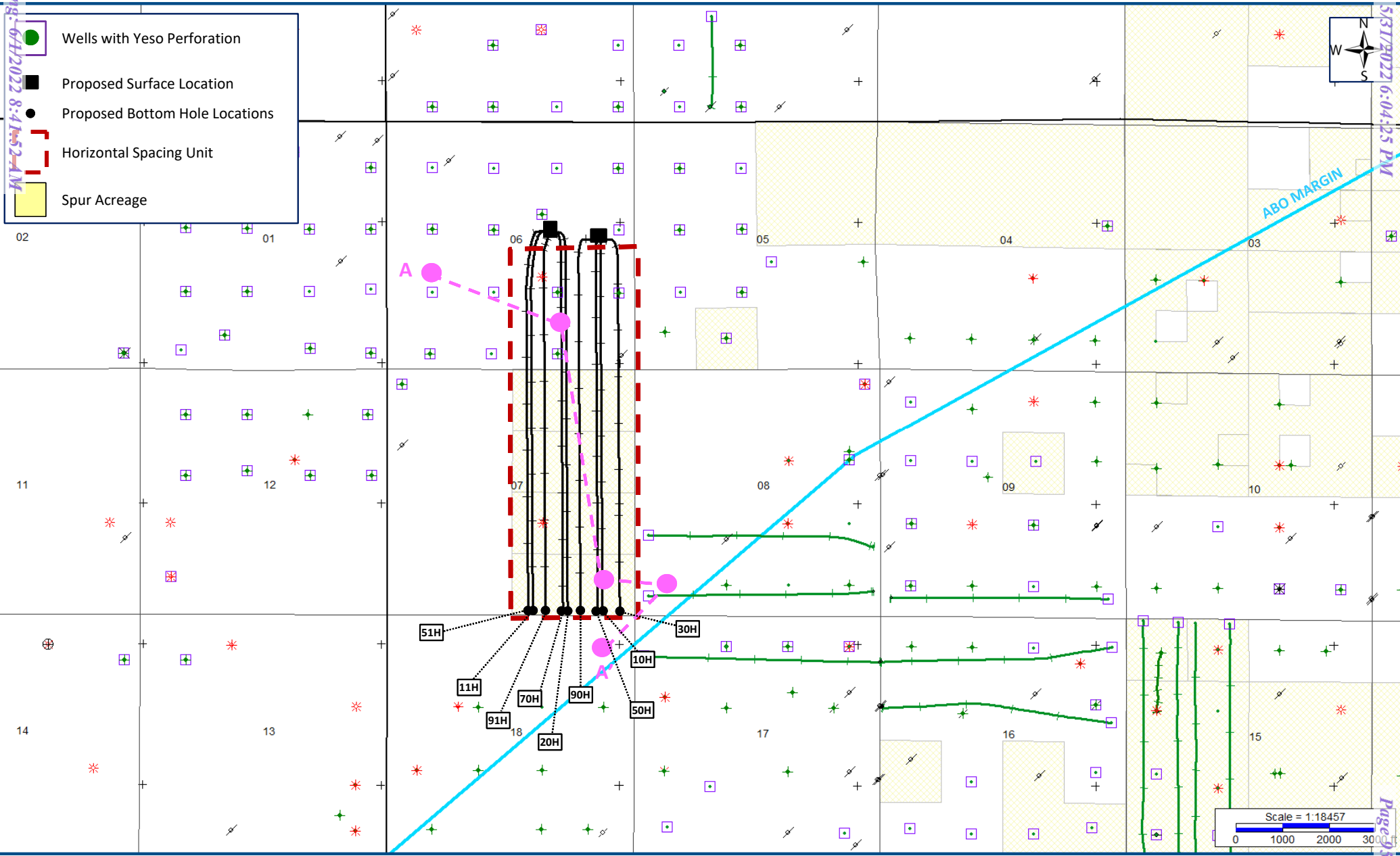
Case No. 22760



Received by O.C.D.: 5/31/2022 6:04:25 PM

Page 95 of 109

- Wells with Yeso Perforation
- Proposed Surface Location
- Proposed Bottom Hole Locations
- Horizontal Spacing Unit
- Spur Acreage



Released to Imaging: 6/1/2022 8:41:52 AM



# Exhibit D-2: Structure Map (SSTVD): Top Glorieta

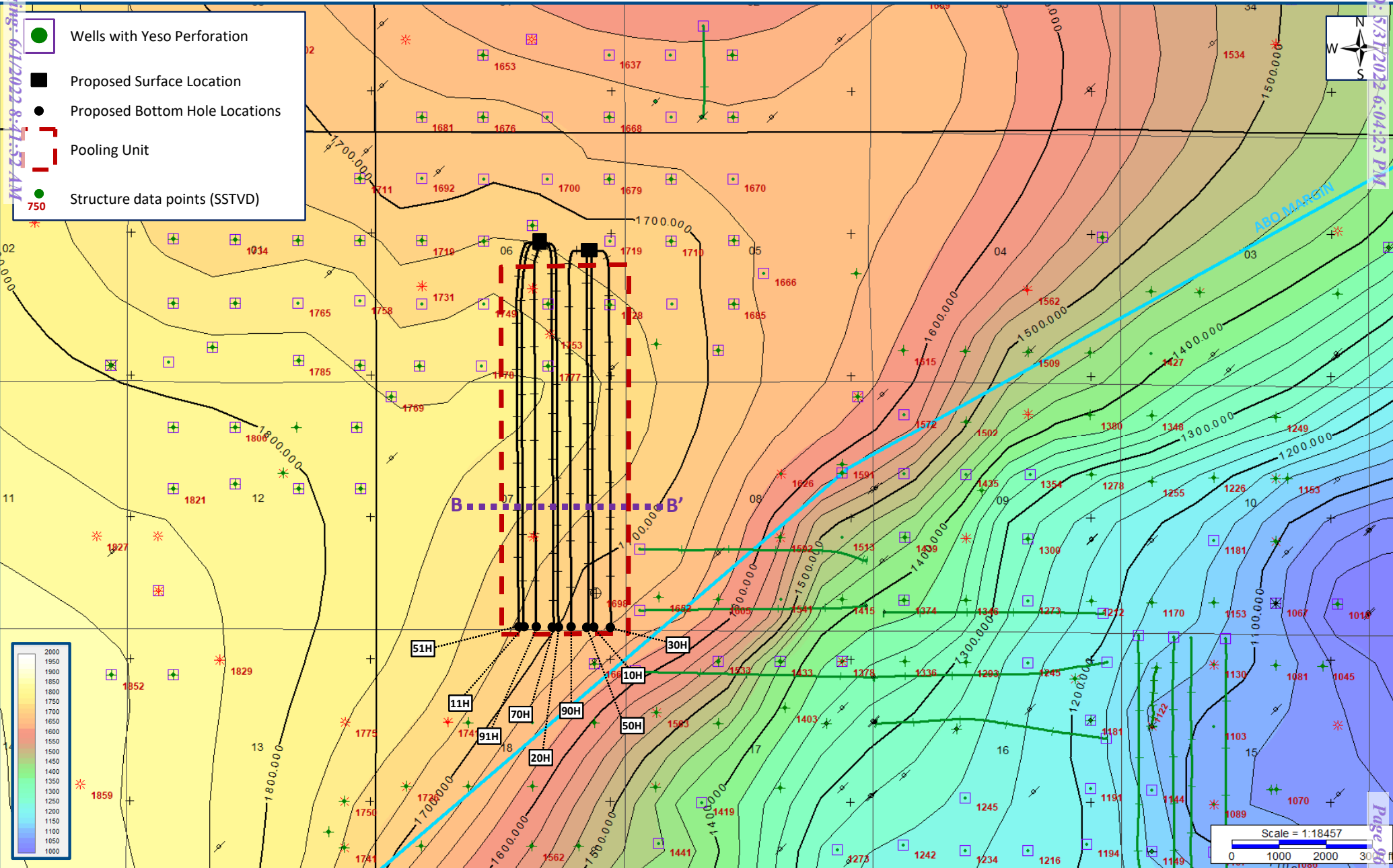
## Case No. 22760

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D2  
 Submitted by: Spur Energy Partners, LLC  
 Hearing Date: June 2, 2022  
 Case No. 22760



Released for Imaging: 6/1/2022 8:11:57 AM

Received by O.C.D.: 5/31/2022 6:04:25 PM





# Exhibit D-3: Trudy Structural Cross Section (TVD)

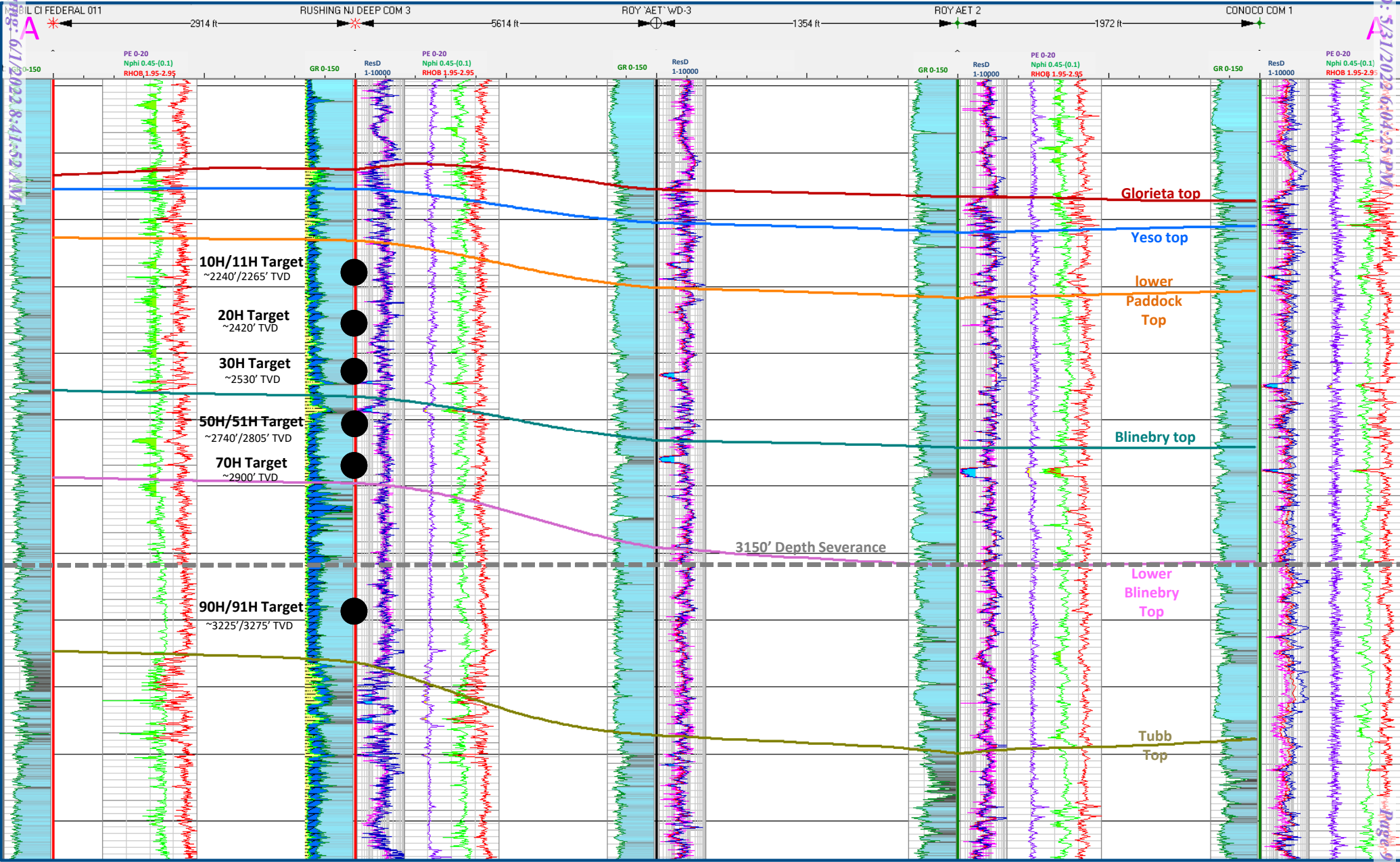
## Case No. 22760

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D3  
 Submitted by: Spur Energy Partners, LLC  
 Hearing Date: June 2, 2022  
 Case No. 22760



Released to Imaging: 6/1/2023 8:41:52 AM

Recorded by OGD: 5/31/2022 6:04:25 PM Page 97 of 109



# Exhibit D-4: Trudy Gun Barrel (TVD)

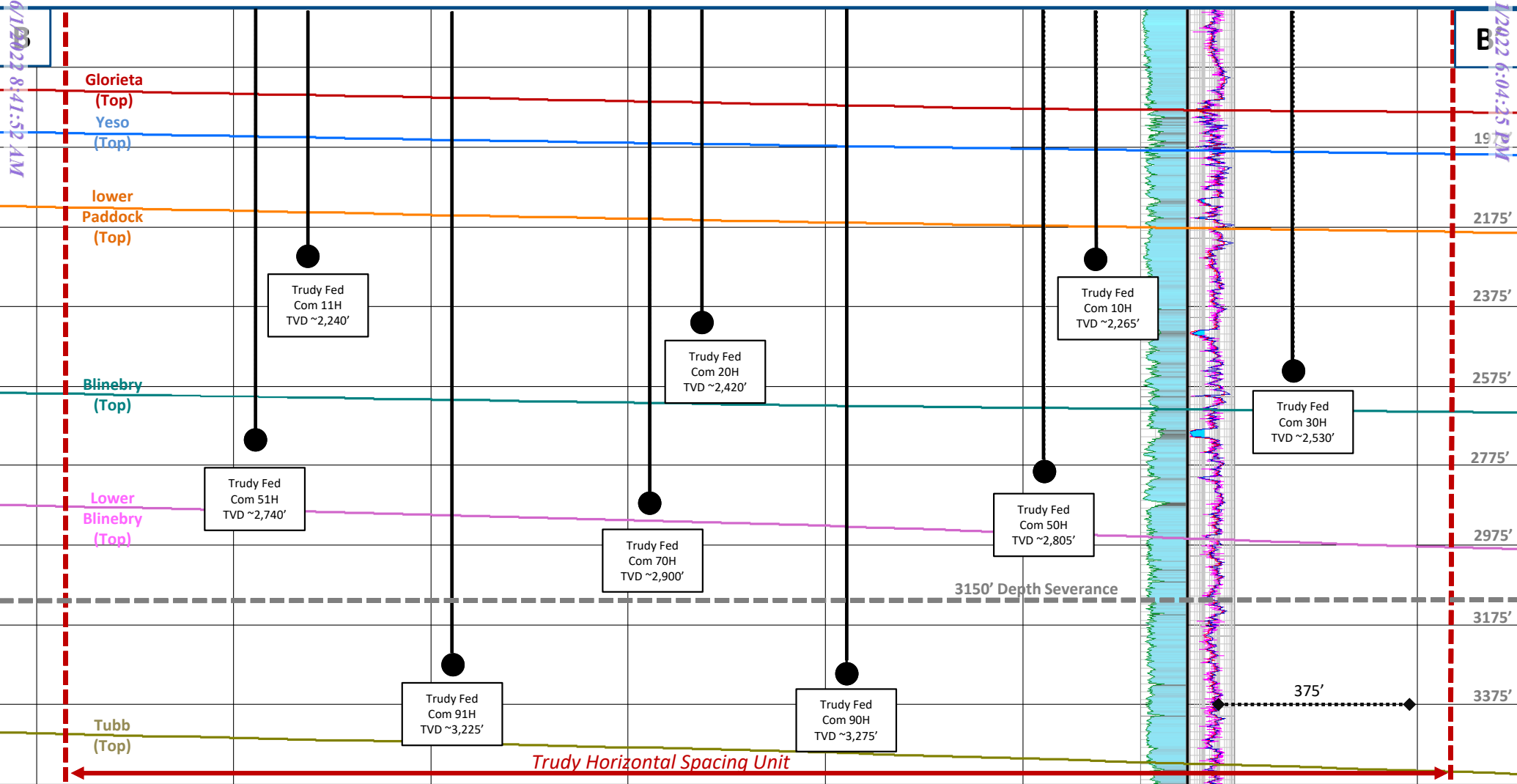
Case No. 22760



Recorded by OGD: 5/31/2022 6:04:25 PM

Page 98 of 109

Released to Imaging: 6/1/2022 8:41:52 AM



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D4  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760





SUBSCRIBED AND SWORN to before me this 31st 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  
Partner  
Phone (505) 954-7286  
agrarkin@hollandhart.com

April 15, 2022

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

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

**Re: Application of Spur Energy Partners LLC for two compulsory pooling orders replacing and revoking Order No. R-21578, Eddy County, New Mexico. Trudy Federal Com 10H, 11H, 20H, 30H, 50H, 51H, 70H, 90H, 91H 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 May 5, 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 Rett Dalton at (832) 930-8529 or [rdalton@spurepllc.com](mailto:rdalton@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](http://www.hollandhart.com)

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

Spur - Trudy case No. 22760  
Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765875821822	Andrews Oil, L.P.	3715 Windsor Rd	Austin	TX	78703-1523	Your item was delivered to an individual at the address at 3:01 pm on April 19, 2022 in AUSTIN, TX 78703.
9414811898765875821709	EOG Resources, Inc.	104 S 4th St	Artesia	NM	88210-2123	Your item was delivered to an individual at the address at 8:03 am on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821792	Florence Essman Slape	804 Palomino	Midland	TX	79705-1811	Your item was delivered to an individual at the address at 12:15 pm on April 18, 2022 in MIDLAND, TX 79705.
9414811898765875821747	George Scott Cranford, Trustee of the Scott Cranford AP Trust dated September 17, 2018	2009 Hubbard Ct	Villa Rica	GA	30180-5842	Your item arrived at the Post Office at 8:21 am on April 21, 2022 in SUWANEE, GA 30024.
9414811898765875821785	Gold Coast Resources, Inc.	516 Sea Ranch Dr	Santa Barbara	CA	93109-1039	Your item was delivered to an individual at the address at 2:06 pm on April 19, 2022 in SANTA BARBARA, CA 93109.
9414811898765875821778	Jack Scott McDonald	4510 Houston Ave	Snyder	TX	79549-6312	Your item was picked up at the post office at 2:51 pm on April 19, 2022 in SNYDER, TX 79549.
9414811898765875821914	James W. Essman	1209 Country Club Dr	Midland	TX	79701-4114	Your item was delivered to an individual at the address at 10:32 am on April 18, 2022 in MIDLAND, TX 79701.
9414811898765875821952	Jan Alice Herrstrom	202 Brentwood Oaks Dr	Nashville	TN	37211-6523	Your item was refused by the addressee at 9:34 am on May 19, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875821921	Jeanette Probandt Trust	PO Box 5575	Midland	TX	79704-5575	Your item was picked up at the post office at 3:45 pm on April 21, 2022 in MIDLAND, TX 79704.
9414811898765875821907	John A. Paris	12712 Spring St	Garden Grove	CA	92845-2648	Your item was delivered to an individual at the address at 2:33 pm on April 19, 2022 in GARDEN GROVE, CA 92845.
9414811898765875821990	Kulpahar Kids Homec/o Ann Huffman	PO Box 32574	Phoenix	AZ	85064-2574	Your item was picked up at the post office at 2:14 pm on April 21, 2022 in PHOENIX, AZ 85016.
9414811898765875821808	Angela Essman Spencer	PO Box 7501	Midland	TX	79708-7501	Your item was picked up at the post office at 2:44 pm on April 18, 2022 in MIDLAND, TX 79708.
9414811898765875821945	Maner B. Shaw	310 W Wall St Ste 305	Midland	TX	79701-5117	Your item was delivered to an individual at the address at 9:10 am on April 19, 2022 in MIDLAND, TX 79701.
9414811898765875821983	Marshall and Winston, Inc.	PO Box 50880	Midland	TX	79710-0880	Your item was picked up at a postal facility at 10:50 am on April 19, 2022 in MIDLAND, TX 79705.
9414811898765875821938	Mary G. Riddle	18642 Iroquois Cv	College Station	TX	77845-7376	Your item was delivered to an individual at the address at 1:59 pm on April 18, 2022 in COLLEGE STATION, TX 77845.
9414811898765875821976	Mike H. Roberts Attn Julie Ann Roberts Wilkinson	3 Glendalough Ct	San Antonio	TX	78209-2785	Your item has been delivered to an agent for final delivery in SAN ANTONIO, TX 78209 on April 19, 2022 at 3:06 pm.
9414811898765875821617	Ocotillo Production, LLC	PO Box 93638	Albuquerque	NM	87199-3638	Your item was picked up at the post office at 2:59 pm on April 19, 2022 in ALBUQUERQUE, NM 87109.

Spur - Trudy case No. 22760  
Postal Delivery Report

9414811898765875821655	Oscura Resources, Inc.	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 10:30 am on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821662	Oxy Y-1 Company	5 Greenway Plz	Houston	TX	77046-0526	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on April 18, 2022 at 12:03 pm.
9414811898765875821624	Pacific Christian College	2500 Nutwood Ave	Fullerton	CA	92831-3102	Your item was delivered at 6:29 am on April 20, 2022 in FULLERTON, CA 92834.
9414811898765875821600	Principal Properties	1603 Enfield Rd Ste 101	Austin	TX	78703-3415	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821693	R. E. Chambers	2441 Stanmore Dr	Houston	TX	77019-3423	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821891	B. W. Harper and Ruth Harper, JTWROS Attn Ruth Harper	501 W Dallas Ave	Artesia	NM	88210-2001	Your item was delivered to an individual at the address at 4:14 pm on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821648	Richard Collins	PO Box 236	Artesia	NM	88211	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875821686	Robert Collins	6308 Forsythe Rd SW	Albuquerque	NM	87121-2427	Your item was refused by the addressee at 9:40 am on April 21, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875821679	Robert L. Schlotman, IV	2809 Lake Arnold Pl	Orlando	FL	32806-1649	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821150	Schoeffler Energy LLC	224 Rue De Jean	Lafayette	LA	70508-3262	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821167	SEP Permian LLC	PO Box 79840	Houston	TX	77279-9840	Your item was picked up at the post office at 7:40 am on April 20, 2022 in HOUSTON, TX 77024.
9414811898765875821129	Separate Estate of Billy J. Walcott, Deceased	8211 New Hampshire St NE	Albuquerque	NM	87110-2424	Your item was returned to the sender on May 12, 2022 at 9:45 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765875821105	Serena G. Hamilton Rushford	1000 Camelot Dr Apt 6090	Harlingen	TX	78550-8413	Your item was returned to the sender on May 12, 2022 at 9:45 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765875821198	Sharbro Energy LLC	PO Box 840	Artesia	NM	88211-0840	Your item was picked up at the post office at 10:57 am on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821143	Sian Properties	PO Box 50187	Austin	TX	78763-0187	Your item was delivered at 9:32 am on April 19, 2022 in AUSTIN, TX 78703.
9414811898765875821181	Silverback Exploration	19707 lh 10 W	San Antonio	TX	78257-1745	Your item was delivered to the front desk, reception area, or mail room at 1:30 pm on April 20, 2022 in SAN ANTONIO, TX 78257.

Spur - Trudy case No. 22760  
Postal Delivery Report

9414811898765875821884	Beverly Paris	517 E Second St	Lexington	KY	40508-1925	Your item was refused by the addressee at 9:30 am on April 28, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875821136	The Roy G. Barton, Sr. and Opal Barton Revocable Trust Roy G. Barton, Jr., Trustee	1919 N Turner St	Hobbs	NM	88240-2712	Your item was delivered to an individual at the address at 11:51 am on April 18, 2022 in HOBBS, NM 88240.
9414811898765875821174	Thomas Ray Smith	5818 Dominion Ridge Cir	San Angelo	TX	76904-8141	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821358	Tommie R. Gustafson, as her separate property	3810 Pear Glen Ct	Kingwood	TX	77345-1251	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765875821365	Twin Oaks Petroleum, LLC	7038 Chimney Hill Dr	Nolanville	TX	76559-4719	Your item was returned to the sender on May 12, 2022 at 9:45 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
9414811898765875821303	Vladin LLC	PO Box 100	Artesia	NM	88211-0100	Your item was picked up at the post office at 2:07 pm on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821396	William J. McCaw	PO Box 376	Artesia	NM	88211-0376	Your item was picked up at the post office at 11:46 am on April 18, 2022 in ARTESIA, NM 88210.
9414811898765875821341	XTO Holdings, LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your item was delivered to the front desk, reception area, or mail room at 12:42 pm on April 18, 2022 in SPRING, TX 77389.
9414811898765875821389	Yates Brothers	PO Box 1394	Artesia	NM	88211-1394	Your item was picked up at the post office at 9:39 am on April 26, 2022 in ARTESIA, NM 88210.
9414811898765875821839	Cydney McDonald Medford	2111 Paisano Rd	Austin	TX	78746-2201	Your item was delivered to an individual at the address at 1:10 pm on April 28, 2022 in AUSTIN, TX 78746.
9414811898765875821877	Don P. Schlotman	4169 Mad Anthony St	Cincinnati	OH	45223-2156	Your item was delivered to an individual at the address at 2:06 pm on April 19, 2022 in CINCINNATI, OH 45223.
9414811898765875821716	Doug Laufer	4425 S Mopac Expy Ste 103	Austin	TX	78735-6710	Your item was delivered to an individual at the address at 11:29 am on April 20, 2022 in AUSTIN, TX 78735.
9414811898765875821754	E.L. Latham Company	1320 S University Dr Ste 820	Fort Worth	TX	76107-8069	Your item was refused by the addressee at 9:40 am on April 21, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765875821761	Eddie M. Mahfood and Valerie Ann Mahfood, JTWROS Attn Valerie Mahfood	7771 Joe Newton St	San Antonio	TX	78251-1469	Your item was returned to the sender on May 12, 2022 at 9:45 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005220558

This is not an invoice

**HOLLAND AND HART**  
POBOX 2208

**SANTA FE, NM 87504**

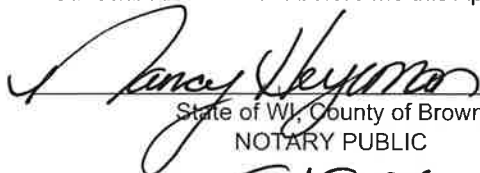
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements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

04/19/2022



Legal Clerk

Subscribed and sworn before me this April 19, 2022:

  
State of WI, County of Brown  
NOTARY PUBLIC

5.15.23

My commission expires

**NANCY HEYRMAN**  
Notary Public  
State of Wisconsin

Ad # 0005220558  
PO #: Case No. 22760  
# of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: Spur Energy Partners, LLC  
Hearing Date: June 2, 2022  
Case No. 22760

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES DE-  
PARTMENT  
OIL CONSERVATION DIVI-  
SION  
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, May 5, 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](mailto: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](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **April 25, 2022**.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e6e26820a221263e14d01babebf368598>  
Event number: 2499 239 2503  
Event password: : DEpewUbj2232

Join by video: 24992392503@nmemnrd.webex.com  
Numeric Password: 903575  
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: : 2499 239 2503

**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, including: Andrews Oil, L.P.; E.L. Latham Company; Gold Coast Resources, Inc.; Oxy Y-1 Company; Principal Properties; Schoeffler Energy LLC; SEP Permian LLC; Sharbro Energy LLC; Sian Properties; Silverback Exploration; The Roy G. Barton, Sr. and Opal Barton Revocable Trust; Roy G. Barton, Jr., Trustee; Vladin LLC; Alice Ann Freeman, her heirs and devisees; Angela Essman Spencer, her heirs and devisees; B. W. Harper and Ruth Harper, JTWROS, their heirs and devisees; Cydney McDonald Medford, her heirs and devisees; Doug Laufer, his heirs and devisees; Eddie M. Mahfood and Valerie Ann Mahfood, JTWROS, their heirs and devisees; EOG Resources, Inc.; Florence Essman Slape, his or her heirs and devisees; George Scott Cranford, Trustee of the Scott Cranford AP Trust dated September 17, 2018; Jack Scott McDonald, his heirs and devisees; James W. Essman, his heirs and devisees; Jan Alice Herrstrom, her heirs and devisees; Jeanette Probandt Trust; Maner B. Shaw, his heirs and devisees; Mary G. Riddle, her heirs and devisees; Mike H. Roberts, his heirs and devisees; Ocotillo Production, LLC; Oscura Resources, Inc.; R. E. Chambers, his or her heirs and devisees; Thomas Ray Smith, his heirs and devisees; Tommie R. Gustafson, as her separate property, her heirs and devisees; Twin Oaks Petroleum, LLC; William J. McCaw, his heirs and devisees; XTO Holdings, LLC; Yates Brothers; Beverly**

Paris, her heirs and devisees; Don P. Schlotman, his heirs and devisees; John A. Paris, his heirs and devisees; Kulpahar Kids' Home; Pacific Christian College; Richard Collins, his heirs and devisees; Robert Collins, his heirs and devisees; Robert L. Schlotman, IV, his heirs and devisees; Separate Estate of Billy J. Walcott, Deceased, his heirs and devisees; Serena G. Hamilton Rushford, her heirs and devisees; and Marshall and Winston, Inc.;

**Case No. 22760: Application of Spur Energy Partners LLC for two compulsory pooling orders replacing and revoking Order No. R-21578, Eddy County, New Mexico.** Applicant in the above-styled cause seeks two compulsory pooling orders replacing and revoking Order No. R-21578, as amended, (the "Order") and pooling (1) all uncommitted interests in a portion of the Yeso formation, from the top of the formation to 3,150 feet, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico ("Shallow Unit"); and (2) all uncommitted interests in a portion of the Yeso formation, from below 3,150 feet to the base of the Yeso formation, underlying a standard 480-acre horizontal spacing unit comprised of the SE/4 of Section 6 and E/2 of Section 7, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico ("Deep Unit"). Applicant proposes to dedicate the Shallow Unit to the following initial proposed wells:

- **The Trudy Federal Com 10H, 30H, and 50H Wells**, each of which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and
- **The Trudy Federal Com 11H, 20H, 51H, and 70H Wells**, each of which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section

6 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 7.

Applicant proposes to dedicate the Deep Unit to the following initial proposed wells:

- **The Trudy Federal Com 90H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of said Section 6 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 7; and

- **The Trudy Federal Com 91H Well**, which will be horizontally drilled from a surface location in the SW/4 NE/4 (Unit G) of said Section 6 to bottom hole location in the SW/4 SE/4 (Unit O) of Section 7.

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.

#5220558, Current Argus, April 19, 2022