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

APPLICATION OF SPUR ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 23012

NOTICE OF SUPPLEMENTAL EXHIBIT

In accordance with the Division's request at the September 1, 2022 hearing in this matter, Spur Energy Partners, LLC is providing a supplemental Self-Affirmed Statement of Matthew Van Wie (Exhibit D).

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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SUPPLEMENTAL SELF-AFFIRMED STATEMENT OF MATTHEW VAN WIE

- 1. I am a geologist with Spur Energy Partners, LLC ("Spur"). I am over 18 years of age and have personal knowledge of the facts herein. I previously submitted a self-affirmed statement in this matter.
- 2. At the September 1, 2022, hearing, the Division requested that Spur provide information regarding: (1) the reason for the laydown well orientation considering the surrounding wells are in standup orientation; and (2) whether the existing standup wells in the S/2 of Section 25 are in a different formation.
- 3. The majority of the development in the Dagger Draw area is Spur-operated production. Accordingly, we analyzed 30 horizontal wells completed with modern completion designs in the vicinity of the proposed Darko well project along with similar targeting as Darko (lower Paddock) and found no observable difference in performance between a laydown or standup orientation of wells. The findings are attached as Exhibit D-1. Average cumulative oil production (normalized to 5000') after 18 months is 154 MBO for both orientations.
- 4. The laydown orientation is also appropriate to develop this acreage using 1-mile laterals in a manner that is consistent with Spur's ownership interest, and it will not interfere with the standup wells in surrounding tracts.

Spur Energy Partners, LLC Case No. 23012 Exhibit D

- 5. Additionally, the three stand-up wells in the Darko location are legacy Yeso -Upper Paddock wells operated by Spur. The development of the Spur Darko wells would be infill for deeper Paddock objectives targeted in units directly offsetting Darko.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten nest to my signature below.

Matthew Van Wie

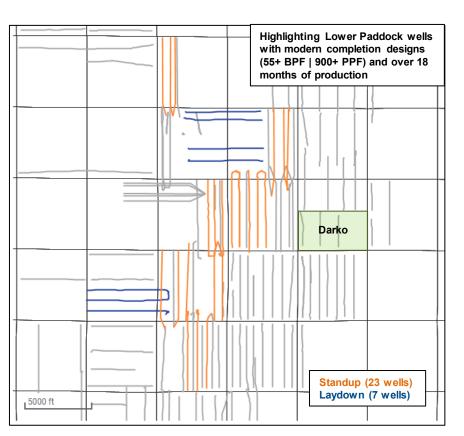
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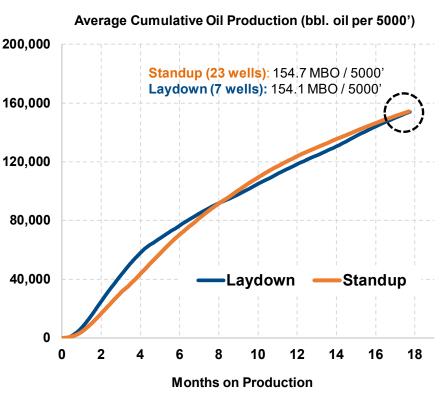
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- * Studied 30 wells completed with modern completion designs in the vicinity of Darko
- * These wells were all landed in the Lower Paddock and have at least 18 months of production
- Seven wells were drilled E-W or W-E (laydown), and 23 were drilled N-S or S-N (standup)
- * There is no observable difference in performance between the two orientations
- * Average cumulative oil production (normalized to 5,000') after 18 months is 154 MBO for both orientations





Spur Energy Partners, LLC Case No. 23012 Exhibit D-1