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

APPLICATION OF SPUR ENERGY PARTNERS LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22274, EDDY COUNTY, NEW MEXICO.

CASE NO. ORDER NO. R-22274

APPLICATION

Pursuant to NMSA § 70-2-17, Spur Energy Partners LLC ("Applicant") (OGRID No. 338479) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-22274. Applicant states the following in support of its application.

1. On September 2, 2022, the Division entered Order No. R-22274 ("Order") in Case No. 22598. The Order pooled all uncommitted interests in the Yeso formation from a depth of approximately 4,130' to the base of the Yeso formation (Artesia; Glorieta-Yeso Pool, Code 96830) underlying a 320-acre, more or less, overlapping spacing unit comprised of the N/2 of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Blalock 32 State Com #50H, Blalock 32 State Com #70H, and Blalock 32 State Com #90H wells ("Wells") and designated Applicant as operator of the Unit and the Wells.

2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.

3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled in the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on December 1, 2022, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22274.

Respectfully submitted,

HINKLE SHANOR LLP

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